

Senate Amendment to
House File 649

H-1732

1 Amend House File 649, as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 1, line 19, by striking <9,852,577> and
4 inserting <10,302,577>
5 2. Page 1, after line 29 by inserting:
6 <1A. The amount appropriated in this section
7 includes additional funding of \$450,000 for delivery of
8 long-term care services to seniors with low or moderate
9 incomes.>
10 3. Page 2, line 35, by striking <20,703,190> and
11 inserting <25,703,190>
12 4. Page 3, by striking lines 2 through 11 and
13 inserting:
14 <a. (1) Of the funds appropriated in this
15 subsection, \$5,453,830 shall be used for the tobacco
16 use prevention and control initiative, including
17 efforts at the state and local levels, as provided in
18 chapter 142A.
19 (2) Of the funds allocated in this paragraph
20 "a", \$453,830 shall be transferred to the alcoholic
21 beverages division of the department of commerce
22 for enforcement of tobacco laws, regulations, and
23 ordinances in accordance with 2011 Iowa Acts, House
24 File 467, as enacted.>
25 5. Page 6, line 16, by striking <2,601,905> and
26 inserting <2,594,270>
27 6. Page 6, line 17, by striking <10.00> and
28 inserting <11.00>
29 7. Page 6, line 25, by striking <287,520> and
30 inserting <329,885>
31 8. Page 6, line 30, after <children.> by inserting
32 <A portion of the funds allocated in this lettered
33 paragraph may be used for a full-time equivalent
34 position to coordinate the activities under this
35 paragraph.>
36 9. Page 7, by striking lines 8 through 14.
37 10. Page 7, line 19, by striking <3,262,256> and
38 inserting <3,399,156>
39 11. Page 7, line 20, by striking <4.00> and
40 inserting <5.00>
41 12. Page 7, line 21, by striking <136,808> and
42 inserting <160,582>
43 13. Page 7, line 25, by striking <383,600> and
44 inserting <483,600>
45 14. Page 7, line 32, by striking <468,874> and
46 inserting <498,874>
47 15. Page 8, line 6, by striking <755,791> and
48 inserting <788,303>
49 16. Page 8, line 8, by striking <711,052> and
50 inserting <547,065>

1 17. Page 8, line 12, by striking <363,987> and
2 inserting <200,000>
3 18. Page 8, line 18, by striking <421,782> and
4 inserting <528,834>
5 19. Page 8, line 20, after <disorders.> by
6 inserting <A portion of the funds allocated in this
7 paragraph may be used for one full-time equivalent
8 position for administration of the center.>
9 20. Page 8, line 28, by striking <3,677,659> and
10 inserting <4,826,699>
11 21. Page 9, line 32, after <designated> by
12 inserting <. The following amounts allocated under
13 this lettered paragraph shall be distributed to
14 the specified provider and shall not be reduced for
15 administrative or other costs prior to distribution>
16 22. Page 9, line 33, by striking <Iowa-Nebraska>
17 and inserting <Iowa>
18 23. Page 10, line 1, by striking <116,597> and
19 inserting <132,580>
20 24. Page 10, after line 1 by inserting:
21 <(1A) For distribution to the Iowa family planning
22 network agencies for necessary infrastructure,
23 statewide coordination, provider recruitment, service
24 delivery, and provision of assistance to patients in
25 determining an appropriate medical home:
26 \$ 74,517>
27 25. Page 10, line 5, by striking <68,332> and
28 inserting <74,517>
29 26. Page 10, line 9, by striking <68,332> and
30 inserting <74,517>
31 27. Page 10, line 14, by striking <113,754> and
32 inserting <124,050>
33 28. Page 10, line 19, by striking <101,264> and
34 inserting <110,430>
35 29. Page 10, line 23, by striking <238,420> and
36 inserting <260,000>
37 30. Page 10, line 27, by striking <247,590> and
38 inserting <270,000>
39 31. By striking page 10, line 32, through page 11,
40 line 5, and inserting:
41 <h. (1) Of the funds appropriated in this
42 subsection, \$149,000 shall be used for continued
43 implementation of the recommendations of the direct
44 care worker task force established pursuant to 2005
45 Iowa Acts, chapter 88, based upon the report submitted
46 to the governor and the general assembly in December
47 2006. The department may use a portion of the funds
48 allocated in this lettered paragraph for an additional
49 position to assist in the continued implementation.
50 (2) It is the intent of the general assembly that

1 a board of direct care workers shall be established
2 within the department of public health by July 1, 2014,
3 contingent upon the availability of funds to establish
4 and maintain the board.

5 (3) The direct care worker advisory council
6 shall submit a final report no later than March 1,
7 2012, to the governor and the general assembly, in
8 accordance with 2010 Iowa Acts, chapter 1192, section
9 2, subsection 4, paragraph "h", subparagraph (3).

10 (4) The department of public health shall report to
11 the persons designated in this Act for submission of
12 reports regarding use of the funds allocated in this
13 lettered paragraph, on or before January 15, 2012.

14 i. (1) Of the funds appropriated in this
15 subsection, \$130,100 shall be used for allocation to an
16 independent statewide direct care worker association
17 for education, outreach, leadership development,
18 mentoring, and other initiatives intended to enhance
19 the recruitment and retention of direct care workers in
20 health care and long-term care settings.

21 (2) Of the funds appropriated in this subsection,
22 \$58,000 shall be used to provide scholarships or
23 other forms of subsidization for direct care worker
24 educational conferences, training, or outreach
25 activities.>

26 32. Page 11, after line 13 by inserting:

27 <k. Of the funds appropriated in this subsection,
28 \$50,000 shall be used for a matching dental education
29 loan repayment program to be allocated to a dental
30 nonprofit health service corporation to develop the
31 criteria and implement the loan repayment program.

32 l. Of the funds appropriated in this subsection, up
33 to \$134,214 shall be used to support the department's
34 activities relating to health and long-term care access
35 as specified pursuant to chapter 135, division XXIV.

36 m. Of the funds appropriated in this subsection,
37 \$363,987 shall be used as state matching funds for the
38 health information network as enacted by this Act.

39 n. Of the funds appropriated in this subsection,
40 \$25,000 shall be used for a pilot program established
41 through a grant to an organization that has an
42 existing program for children and adults and that is
43 solely dedicated to preserving sight and preventing
44 blindness to provide vision screening to elementary
45 school children in one urban and one rural school
46 district in the state, on a voluntary basis, over a
47 multiyear period. The grantee organization shall
48 develop protocol for participating schools including
49 the grade level of the children to be screened, the
50 training and certification necessary for individuals

1 conducting the vision screening, vision screening
2 equipment requirements, and documentation and tracking
3 requirements. Following the conclusion of the pilot
4 program, the grantee organization shall report findings
5 and recommendations for statewide implementation of the
6 vision screening program to the department of public
7 health.>

8 o. The department of public health in collaboration
9 with other appropriate state agencies shall review
10 state regulatory oversight provisions relating to
11 outpatient surgical facilities including ambulatory
12 surgical centers, hospice programs, assisted living
13 programs, and home health agencies, and shall submit
14 recommendations to the persons designated in this Act
15 for submission of reports by December 15, 2011, to
16 improve quality of care for consumers and to increase
17 regulatory compliance by such entities.

18 33. Page 11, line 19, by striking <7,297,142> and
19 inserting <7,336,142>

20 34. Page 11, line 22, by striking <5,287,955> and
21 inserting <5,326,955>

22 35. Page 12, line 7, by striking <2,906,532> and
23 inserting <2,778,688>

24 36. Page 12, after line 24 by inserting:

25 <d. Of the funds appropriated in this subsection,
26 \$50,000 shall be used for education, testing, training,
27 and other costs to conform the requirements for
28 certification of emergency medical care providers with
29 national standards.>

30 37. Page 12, by striking lines 25 through 30.

31 38. Page 16, by striking lines 15 through 24 and
32 inserting:

33 <Pregnancy prevention grants shall be awarded
34 to programs in existence on or before July 1, 2011,
35 if the programs are comprehensive in scope and have
36 demonstrated positive outcomes. Grants shall be
37 awarded to pregnancy prevention programs which are
38 developed after July 1, 2011, if the programs are
39 comprehensive in scope and are based on existing models
40 that have demonstrated positive outcomes. Grants
41 shall comply with the requirements provided in 1997
42 Iowa Acts, chapter 208, section 14, subsections 1 and
43 2, including the requirement that grant programs must
44 emphasize sexual abstinence. Priority in the awarding
45 of grants shall be given to programs that serve areas
46 of the state which demonstrate the highest percentage
47 of unplanned pregnancies of females of childbearing age
48 within the geographic area to be served by the grant.>

49 39. Page 23, line 27, by striking <897,237,190> and
50 inserting <878,216,915>

1 40. Page 23, by striking lines 28 through 34 and
2 inserting:
3 <1. Medically necessary abortions are those
4 performed under any of the following conditions:
5 a. The attending physician certifies that
6 continuing the pregnancy would endanger the life of the
7 pregnant woman.
8 b. The attending physician certifies that the
9 fetus is physically deformed, mentally deficient, or
10 afflicted with a congenital illness.
11 c. The pregnancy is the result of a rape which
12 is reported within 45 days of the incident to a law
13 enforcement agency or public or private health agency
14 which may include a family physician.
15 d. The pregnancy is the result of incest which
16 is reported within 150 days of the incident to a law
17 enforcement agency or public or private health agency
18 which may include a family physician.
19 e. Any spontaneous abortion, commonly known as a
20 miscarriage, if not all of the products of conception
21 are expelled.>
22 41. By striking page 28, line 17, through page 29,
23 line 8, and inserting:
24 <___. a. The department may implement cost
25 containment strategies recommended by the governor, and
26 may adopt emergency rules for such implementation.
27 b. The department shall not implement the cost
28 containment strategy to require a primary care referral
29 for the provision of chiropractic services.
30 c. The department may increase the amounts
31 allocated for salaries, support, maintenance, and
32 miscellaneous purposes associated with the medical
33 assistance program, as necessary, to implement the cost
34 containment strategies. The department shall report
35 any such increase to the legislative services agency
36 and the department of management.
37 d. If the savings to the medical assistance
38 program exceed the cost, the department may transfer
39 any savings generated for the fiscal year due to
40 medical assistance program cost containment efforts
41 initiated pursuant to 2010 Iowa Acts, chapter 1031,
42 Executive Order No. 20, issued December 16, 2009, or
43 cost containment strategies initiated pursuant to
44 this subsection, to the appropriation made in this
45 division of this Act for medical contracts or general
46 administration to defray the increased contract costs
47 associated with implementing such efforts.
48 e. The department shall report the implementation
49 of any cost containment strategies under this
50 subsection to the individuals specified in this

1 division of this Act for submission of reports on a
2 quarterly basis.>
3 42. Page 29, after line 12 by inserting:
4 <_. Of the funds appropriated in this section,
5 \$6,100,000 shall be used to reduce the waiting lists
6 of the medical assistance home and community-based
7 services waivers, including the waiver for persons with
8 intellectual disabilities for which the nonfederal
9 share is paid as state case services and other support
10 pursuant to section 331.440. The department shall
11 distribute the funding allocated under this subsection
12 proportionately among all home and community-based
13 services waivers.
14 _____. a. The department may submit medical
15 assistance program state plan amendments to the centers
16 for Medicare and Medicaid services of the United
17 States department of health and human services, and may
18 adopt administrative rules pursuant to chapter 17A to
19 implement any of the following if the respective state
20 plan amendment is approved:
21 (1) Health homes pursuant to section 2703 of the
22 federal Patient Protection and Affordable Care Act,
23 Pub. L. No. 111-148. The department shall collaborate
24 with the medical home system advisory council created
25 pursuant to section 135.159 in developing such health
26 homes.
27 (2) Accountable care organization pilot programs,
28 if such programs are advantageous to the medical
29 assistance program.
30 b. Any health home or accountable care organization
31 pilot program implemented pursuant to this subsection
32 shall demonstrate value to the state with a
33 positive return on investment within two years of
34 implementation, and may utilize care coordination fees,
35 pay-for-performance fees, or shared saving strategies
36 if approved as part of the state plan amendment.>
37 43. Page 29, line 19, by striking <5,773,844> and
38 inserting <9,893,844>
39 44. Page 29, line 20, before <The> by inserting
40 <1.>
41 45. Page 29, after line 24 by inserting:
42 <2. Of the funds appropriated in this section,
43 \$150,000 shall be used for implementation of a
44 uniform cost report to be used in the development
45 of specified Medicaid reimbursement rates over a
46 multiyear timeframe. The department of human services,
47 in collaboration with affected providers, shall
48 finalize a uniform cost report that includes provider
49 type-specific cost schedules by December 15, 2011.
50 The uniform cost report shall be applied to providers

1 of home and community-based services waiver services,
2 habilitation services, case management services
3 and community mental health centers, residential
4 care facilities, psychiatric medical institutions
5 for children, and intermediate care facilities
6 for the mentally retarded in the development of
7 Medicaid reimbursement rates. The department shall
8 collaborate with affected Medicaid providers to test
9 the effectiveness of the cost report and determine
10 the fiscal impact of implementing the uniform cost
11 report during the fiscal year beginning July 1, 2012.
12 A report of the findings and fiscal impact shall be
13 submitted to the governor and the general assembly by
14 December 31, 2013. The rates paid in the fiscal year
15 beginning July 1, 2014, shall be established using
16 uniform cost reports submitted in the fiscal year
17 beginning July 1, 2012. Implementation of the uniform
18 cost report shall be limited to the extent of the
19 funding available.

20 3. a. Of the funds appropriated in this section,
21 \$100,000 shall be used for implementation of an
22 electronic medical record system, including system
23 purchase or development, for home and community-based
24 services providers and mental health services providers
25 that comply with the requirements of federal and state
26 laws and regulation by the fiscal year beginning July
27 1, 2013.

28 b. The department shall analyze the costs and
29 benefits of providing an electronic medical record and
30 billing system for home and community-based services
31 providers and mental health services providers that
32 comply with the requirements of federal and state laws
33 and regulation. The analysis shall include a review
34 of all of the following: including the capability for
35 an electronic medical record and billing system within
36 the procurement for the Medicaid management information
37 system, developing the system, and utilizing capacity
38 within the health information network established by
39 the department of public health as enacted in this
40 Act. If the analysis demonstrates that a program
41 may be implemented in a cost-effective manner and
42 within available funds, the department may take steps
43 to implement such a system. The department shall
44 report the results of the analysis, activities, and
45 recommendations to the persons designated in this
46 division of this Act for submission of reports by
47 December 15, 2011.

48 c. Notwithstanding section 8.33, funds allocated in
49 this subsection that remain unencumbered or unobligated
50 at the close of the fiscal year shall not revert but

1 shall remain available in succeeding fiscal years to be
2 used for the purposes designated.

3 4. Of the amount appropriated in this section,
4 \$3,500,000 shall be used for technology upgrades
5 necessary to support Medicaid claims and other health
6 operations, worldwide federal Health Insurance
7 Portability and Accountability Act of 1996 (HIPAA)
8 claims, transactions, and coding requirements, and
9 the Iowa automated benefits calculation system.

10 Notwithstanding section 8.33, funds allocated in this
11 subsection that remain unencumbered or unobligated at
12 the close of the fiscal year shall not revert but shall
13 remain available in succeeding fiscal years to be used
14 for the purposes designated.

15 5. Of the funds appropriated in this section,
16 \$100,000 shall be used for an accountable care
17 organization pilot project as specified in the division
18 of this Act relating to prior appropriations and
19 related changes.

20 6. Of the funds appropriated in this section,
21 \$200,000 shall be used for the development of a
22 provider payment system plan to provide recommendations
23 to reform the health care provider payment system as an
24 effective way to promote coordination of care, lower
25 costs, and improve quality as specified in the division
26 of this Act relating to cost containment.

27 7. Of the funds appropriated in this section,
28 \$20,000 shall be used for the development of a plan
29 to establish an all-payer claims database to provide
30 for the collection and analysis of claims data from
31 multiple payers of health care as specified in the
32 division of this Act relating to cost containment.

33 8. The department shall amend the state Medicaid
34 health information technology plan to include costs
35 related to the one-time development costs of the health
36 information network as enacted in this Act.

37 9. Of the amount appropriated in this section, up
38 to \$250,000 may be transferred to the appropriation for
39 general administration in this division of this Act to
40 be used for additional full-time equivalent positions
41 in the development of key health initiatives such as
42 cost containment, development and oversight of managed
43 care programs, and development of health strategies
44 targeted toward improved quality and reduced costs in
45 the Medicaid program.

46 10. Of the funds appropriated in this section,
47 \$50,000 shall be used for home and community-based
48 services waiver quality assurance programs, including
49 the review and streamlining of processes and policies
50 related to oversight and quality management to meet

1 state and federal requirements. The department shall
2 submit a report to the persons designated by this
3 division of this Act for submission of reports by
4 December 15, 2011, regarding the modifications to the
5 quality assurance programs.>
6 46. Page 30, line 22, by striking <There> and
7 inserting <1. There>
8 47. Page 30, line 32, by striking <32,927,152> and
9 inserting <33,056,102>
10 48. Page 30, after line 32 by inserting:
11 <2. Of the funds appropriated in this section,
12 \$128,950 is allocated for continuation of the contract
13 for advertising and outreach with the department of
14 public health.>
15 49. Page 31, line 4, by striking <51,237,662> and
16 inserting <55,265,509>
17 50. Page 31, line 5, by striking <49,868,235> and
18 inserting <51,896,082>
19 51. Page 31, by striking lines 25 through 30 and
20 inserting <system in accordance with section 237A.30.>
21 52. Page 33, after line 32 by inserting:
22 <4. For the fiscal year beginning July 1, 2011,
23 notwithstanding section 232.52, subsection 2, and
24 section 907.3A, subsection 1, the court shall not order
25 the placement of a child at the Iowa juvenile home
26 or the state training school under section 232.52, if
27 that placement is not in accordance with the population
28 guidelines for the respective juvenile institution
29 established pursuant to section 233A.1 or 233B.1.>
30 53. Page 34, line 5, by striking <82,020,163> and
31 inserting <83,377,336>
32 54. Page 35, line 29, by striking <7,170,116> and
33 inserting <7,670,116>
34 55. Page 37, line 32, by striking <4,522,602> and
35 inserting <6,022,602>
36 56. Page 39, after line 35 by inserting:
37 <_____. Of the funds appropriated in this section,
38 \$257,173 shall be used for continuation of the central
39 Iowa system of care program grant through June 30,
40 2012.>
41 57. Page 40, line 8, by striking <34,897,591> and
42 inserting <34,466,591>
43 58. Page 41, line 8, by striking <department of
44 human services> and inserting <criminal and juvenile
45 justice planning advisory council established in
46 section 216A.132>
47 59. Page 41, by striking lines 14 and 15 and
48 inserting <submission of reports and to the department
49 of human services by>
50 60. Page 47, after line 35 by inserting:

1 <Notwithstanding section 8.33, moneys appropriated
2 in this section that remain unencumbered or unobligated
3 at the close of the fiscal year shall not revert but
4 shall remain available for expenditure for the purposes
5 designated until the close of the succeeding fiscal
6 year.>

7 61. Page 48, line 10, by striking <285.00> and
8 inserting <290.00>

9 62. Page 48, by striking lines 17 through 25 and
10 inserting:

11 <3. Of the funds appropriated in this section,
12 \$132,300 shall be used to contract with a statewide
13 association representing community providers of mental
14 health, mental retardation and brain injury services
15 programs to provide technical assistance, support, and
16 consultation to providers of habilitation services and
17 home and community-based waiver services for adults
18 with disabilities under the medical assistance program.
19 Notwithstanding section 8.47 or any other provision of
20 law to the contrary, the department may utilize a sole
21 source approach to contract with the association.

22 4. Of the funds appropriated in this section,
23 \$176,400 shall be used to contract with an appropriate
24 entity to expand the provision of nationally accredited
25 and recognized internet-based training to include
26 mental health and disability services providers.
27 Notwithstanding section 8.47 or any other provision of
28 law to the contrary, the department may utilize a sole
29 site source approach to enter into such contract.>

30 63. Page 48, before line 30 by inserting:

31 <__. Notwithstanding section 8.33, moneys
32 appropriated in this section that remain unencumbered
33 or unobligated at the close of the fiscal year shall
34 not revert but shall remain available for expenditure
35 for the purposes designated until the close of the
36 succeeding fiscal year.>

37 64. Page 49, line 7, by striking <225,502,551> and
38 inserting <235,493,065>

39 65. Page 50, line 6, after <lower.> by inserting
40 <The reimbursement specified under this paragraph shall
41 be adjusted in accordance with chapter 249N, as enacted
42 in this Act.>

43 66. Page 50, line 19, after <2011> by inserting
44 <, except that the portion of the fund attributable
45 to graduate medical education shall be reduced in
46 an amount that reflects the elimination of graduate
47 medical education payments made to out-of-state
48 hospitals.>

49 67. Page 51, line 10, by striking <For> and
50 inserting <(1) For>

1 68. Page 51, by striking lines 14 through 16 and
2 inserting: <medical assistance.

3 (2) For the nonstate-owned psychiatric medical
4 institutions for children, reimbursement rates shall
5 remain at the rates in effect on June 30, 2011. The
6 department, in consultation with representatives of the
7 nonstate-owned psychiatric medical institutions for
8 children, shall develop a reimbursement methodology to
9 include all ancillary medical services costs and any
10 other changes required for federal compliance, to be
11 implemented on July 1, 2012. To the extent possible,
12 the reimbursement methodology shall be in a manner so
13 as to be budget neutral to the institutions and cost
14 effective for the state.

15 69. Page 56, after line 10 by inserting:

16 <Sec. _____. CIVIL MONETARY PENALTIES — DIRECT CARE
17 WORKER INITIATIVES PROPOSAL. The department of human
18 services shall develop a proposal, in collaboration
19 with the department of public health, requesting
20 federal approval for the use of a portion of the
21 funds received by the department of human services as
22 civil monetary penalties from nursing facilities to
23 support direct care worker initiatives that enhance the
24 quality of care in nursing facilities. The proposal
25 shall request use of the funds for direct care worker
26 initiatives based on recommendations of the direct care
27 worker task force established pursuant to 2005 Iowa
28 Acts, chapter 88, as included in the report submitted
29 to the governor and the general assembly in December
30 2006. Upon completion of the proposal, the department
31 of human services shall submit the proposal to the
32 centers for Medicare and Medicaid services of the
33 United States department of health and human services
34 for approval. The department of human services shall
35 notify the persons designated in this division of this
36 Act for submission of reports upon receipt of approval
37 of the proposal.>

38 70. Page 56, line 32, by striking <The> and
39 inserting <1. The>

40 71. Page 57, after line 1 by inserting:

41 <2. The provision under the section of the division
42 of this Act providing for reimbursement of medical
43 assistance, state supplementary assistance, and social
44 service providers by the department of human services
45 relating to reimbursement of nonstate-owned psychiatric
46 medical institutions for children.>

47 72. Page 57, line 4, after <ACCOUNT,> by inserting
48 <NONPARTICIPATING PROVIDER REIMBURSEMENT FUND,>

49 73. Page 57, by striking line 7 and inserting:

1 <HOSPITAL HEALTH CARE ACCESS TRUST FUND, AND PHARMACY
2 ASSESSMENT TRUST FUND>

3 74. By striking page 57, line 35, through page
4 58, line 7, and inserting <necessary abortions. For
5 the purpose of this subsection, an abortion is the
6 purposeful interruption of pregnancy with the intention
7 other than to produce a live-born infant or to remove a
8 dead fetus, and a medically necessary abortion is one
9 performed under one of the following conditions:

10 (1) The attending physician certifies that
11 continuing the pregnancy would endanger the life of the
12 pregnant woman.

13 (2) The attending physician certifies that the
14 fetus is physically deformed, mentally deficient, or
15 afflicted with a congenital illness.

16 (3) The pregnancy is the result of a rape which
17 is reported within 45 days of the incident to a law
18 enforcement agency or public or private health agency
19 which may include a family physician.

20 (4) The pregnancy is the result of incest which
21 is reported within 150 days of the incident to a law
22 enforcement agency or public or private health agency
23 which may include a family physician.

24 (5) The abortion is a spontaneous abortion,
25 commonly known as a miscarriage, wherein not all of the
26 products of conception are expelled.>

27 75. Page 58, line 27, by striking <54,226,279> and
28 inserting <44,226,279>

29 76. Page 59, line 8, by striking <14,000,000> and
30 inserting <16,277,753>

31 77. Page 59, line 26, by striking <51,500,000> and
32 inserting <65,000,000>

33 78. Page 59, line 32, by striking <48,500,000> and
34 inserting <60,000,000>

35 79. Page 59, line 35, by striking <48,500,00> and
36 inserting <60,000,000>

37 80. Page 60, line 1, by striking <48,500,000> and
38 inserting <60,000,000>

39 81. Page 60, line 5, by striking <48,500,000> and
40 inserting <60,000,000>

41 82. Page 60, line 7, after <allocated.> by
42 inserting <Pursuant to paragraph "b", of the amount
43 appropriated in this subsection, not more than
44 \$4,000,000 shall be distributed for prescription drugs
45 and podiatry services.>

46 83. Page 60, after line 7 by inserting:

47 <b. Notwithstanding any provision of law to the
48 contrary, the hospital identified in this subsection,
49 shall be reimbursed for outpatient prescription drugs
50 and podiatry services provided to members of the

1 expansion population pursuant to all applicable medical
2 assistance program rules, in an amount not to exceed
3 \$4,000,000.>

4 84. Page 60, line 8, by striking <b.> and inserting
5 <c.>

6 85. Page 60, line 9, by striking <6> and inserting
7 <4>

8 86. Page 60, line 26, after <subsection.> by
9 inserting <Of the collections in excess of the
10 \$19,000,000 received by the acute care teaching
11 hospital under this subparagraph (1), \$2,000,000 shall
12 be distributed by the acute care teaching hospital to
13 the treasurer of state for deposit in the IowaCare
14 account in the month of January 2012, following the
15 July 1 through December 31, 2011, period.>

16 87. Page 60, line 35, after <subsection.> by
17 inserting <Of the collections in excess of the
18 \$19,000,000 received by the acute care teaching
19 hospital under this subparagraph (2), \$2,000,000 shall
20 be distributed by the acute care teaching hospital to
21 the treasurer of state for deposit in the IowaCare
22 account in the month of July 2012, following the
23 January 1 through June 30, 2012, period.>

24 88. Page 61, line 10, by striking <6,000,000> and
25 inserting <3,472,176>

26 89. Page 61, by striking lines 18 through 25 and
27 inserting:

28 <6. There is appropriated from the IowaCare account
29 created in section 249J.24 to the department of human
30 services for the fiscal year beginning July 1, 2011,
31 and ending June 30, 2012, the following amount, or
32 so much thereof as is necessary to be used for the
33 purposes designated:

34 For a care coordination pool to pay the expansion
35 population providers consisting of the university of
36 Iowa hospitals and clinics, the publicly owned acute
37 care teaching hospital as specified in section 249J.7,
38 and current medical assistance program providers that
39 are not expansion population network providers pursuant
40 to section 249J.7, for services covered by the full
41 benefit medical assistance program but not under the
42 IowaCare program pursuant to section 249J.6, that are
43 provided to expansion population members:

44 \$ 1,500,000

45 a. Notwithstanding sections 249J.6 and 249J.7,
46 the amount appropriated in this subsection is
47 intended to provide payment for medically necessary
48 services provided to expansion population members for
49 continuation of care provided by the university of
50 Iowa hospitals and clinics or the publicly owned acute

1 care teaching hospital as specified in section 249J.7.
2 Payment may only be made for services that are not
3 otherwise covered under section 249J.6, and which are
4 follow-up services to covered services provided by the
5 hospitals specified in this paragraph "a".

6 b. The funds appropriated in this subsection are
7 intended to provide limited payment for continuity
8 of care services for an expansion population member,
9 and are intended to cover the costs of services
10 to expansion population members, regardless of
11 the member's county of residence or medical home
12 assignment, if the care is related to specialty or
13 hospital services provided by the hospitals specified
14 in paragraph "a".

15 c. The funds appropriated in this subsection are
16 not intended to provide for expanded coverage under
17 the IowaCare program, and shall not be used to cover
18 emergency transportation services.

19 d. The department shall adopt administrative
20 rules pursuant to chapter 17A to establish a prior
21 authorization process and to identify covered services
22 for reimbursement under this subsection.

23 7. There is appropriated from the IowaCare account
24 created in section 249J.24 to the department of human
25 services for the fiscal year beginning July 1, 2011,
26 and ending June 30, 2012, the following amount or
27 so much thereof as is necessary to be used for the
28 purposes designated:

29 For a laboratory test and radiology pool for
30 services authorized by a federally qualified health
31 center designated by the department as part of the
32 IowaCare regional provider network that does not have
33 the capability to provide these services on site:
34 \$ 500,000

35 Notwithstanding sections 249J.6 and 249J.7, the
36 amount appropriated in this subsection is intended
37 to provide reimbursement for services provided to
38 expansion population members that have previously
39 been paid for through expenditure by designated
40 regional provider network providers of their own
41 funds, not to expand coverage under the IowaCare
42 program or to expand the expansion population
43 provider network. The department shall designate the
44 laboratory and radiology provider associated with
45 each designated regional provider network provider
46 that may receive reimbursement. The department shall
47 adopt administrative rules pursuant to chapter 17A
48 to establish a prior authorization process and to
49 identify covered services for reimbursement under this
50 subsection. All other medical assistance program

1 payment policies and rules for laboratory and radiology
2 services shall apply to services provided under this
3 subsection. If the entire amount appropriated under
4 this subsection is expended, laboratory tests and
5 radiology services ordered by a designated regional
6 provider network provider shall be the financial
7 responsibility of the regional provider network
8 provider.>

9 90. Page 61, before line 26 by inserting:
10 <Sec. _____. APPROPRIATIONS FROM NONPARTICIPATING
11 PROVIDER REIMBURSEMENT FUND — DEPARTMENT OF HUMAN
12 SERVICES. Notwithstanding any provision to the
13 contrary, and subject to the availability of funds,
14 there is appropriated from the nonparticipating
15 provider reimbursement fund created in section 249J.24A
16 to the department of human services for the fiscal year
17 beginning July 1, 2011, and ending June 30, 2012, the
18 following amount or so much thereof as is necessary for
19 the purposes designated:

20 To reimburse nonparticipating providers in
21 accordance with section 249J.24A:
22 \$ 2,000,000>

23 91. By striking page 61, line 34, through page 62,
24 line 1.

25 92. Page 62, by striking lines 33 through 35 and
26 inserting:

27 <10. For transfer to the department of public
28 health to be used for the costs of medical home
29 system advisory council established pursuant to
30 section 135.159, including for the incorporation of
31 the work and duties of the prevention and chronic
32 care management advisory council pursuant to section
33 135.161, as amended by this Act:
34 \$ 233,357>

35 93. Page 64, line 3, by striking <To> and inserting
36 <1. To>

37 94. Page 64, line 6, by striking <29,000,000> and
38 inserting <60,496,712>

39 95. Page 64, after line 6 by inserting:

40 <2. To increase the monthly upper cost limit
41 for services under the medical assistance home and
42 community-based services waiver for the elderly:
43 \$ 1,000,000>

44 96. Page 64, after line 22 by inserting:

45 <Sec. _____. PHARMACY ASSESSMENT TRUST FUND —
46 DEPARTMENT OF HUMAN SERVICES. Notwithstanding
47 any provision to the contrary and subject to the
48 availability of funds, there is appropriated from the
49 pharmacy assessment trust fund created in section
50 249N.4, as enacted in this Act, to the department of

1 human services for the fiscal year beginning July 1,
2 2011, and ending June 30, 2012, the following amounts,
3 or so much thereof as is necessary, for the purposes
4 designated:

5 To supplement the appropriation made in this Act
6 from the general fund of the state to the department of
7 human services for medical assistance:

8 \$ 17,377,252>
9 97. By striking page 70, line 22, through page 72,
10 line 17.

11 98. Page 72, line 33, after <Grenada,> by inserting
12 <Lebanon,>

13 99. Page 73, line 28, after <72,> by inserting
14 <shall not revert but shall remain available in
15 succeeding fiscal years to be used for the purposes
16 designated until expended and any other>

17 100. Page 74, by striking lines 19 through 27 and
18 inserting:

19 <Sec. _____. 2009 Iowa Acts, chapter 183, section 62,
20 subsection 4, is amended to read as follows:

21 4. The financial assistance shall be for any of the
22 following purposes:

23 a. For making temporary payments to qualifying
24 families whose members are recently unemployed and
25 seeking work to use in meeting immediate family needs.

26 b. For providing sliding scale subsidies for
27 qualifying families for child care provided to the
28 families' infants and toddlers by providers who
29 are accredited by the national association for the
30 education of young children or the national association
31 for family child care, or who have a rating at level 3
32 2 or higher under the child care quality rating system
33 implemented pursuant to section 237A.30.

34 c. For expanding training and other support for
35 infant care providers in the community and this state.

36 d. For ensuring child care environments are healthy
37 and safe.

38 e. For promoting positive relationships between
39 parents and providers in their mutual efforts to care
40 for very young children.

41 f. For ensuring that parents have the information
42 and resources needed to choose quality child care.>

43 101. By striking page 74, line 28, through page 75,
44 line 7.

45 102. Page 76, after line 31 by inserting:
46 <CHILD WELFARE TRAINING ACADEMY

47 Sec. _____. 2010 Iowa Acts, chapter 1192, section 19,
48 subsection 22, is amended to read as follows:

49 22. Of the funds appropriated in this section,
50 at least \$47,158 shall be used for the child welfare

1 training academy. Notwithstanding section 8.33, moneys
2 allocated in this subsection that remain unencumbered
3 or unobligated at the close of the fiscal year shall
4 not revert but shall remain available for expenditure
5 for the purposes designated until the close of the
6 succeeding fiscal year.>

7 103. Page 76, line 32, after <TRANSFER> by
8 inserting <AND NONREVERSION>

9 104. Page 76, line 34, by striking <subsection> and
10 inserting <subsections>

11 105. Page 77, after line 4 by inserting:

12 <NEW SUBSECTION. 5. Notwithstanding section
13 8.33, moneys appropriated in this section that remain
14 unencumbered or unobligated at the close of the fiscal
15 year shall not revert but shall remain available for
16 expenditure for the purposes designated until the close
17 of the succeeding fiscal year.>

18 106. Page 77, after line 4 by inserting:

19 <DEPARTMENT OF HUMAN SERVICES — FIELD OPERATIONS
20 Sec. _____. 2010 Iowa Acts, chapter 1192, section
21 29, is amended by adding the following new unnumbered
22 paragraph:

23 NEW UNNUMBERED PARAGRAPH. Notwithstanding section
24 8.33, moneys appropriated in this section that remain
25 unencumbered or unobligated at the close of the fiscal
26 year shall not revert but shall remain available for
27 expenditure for the purposes designated until the close
28 of the succeeding fiscal year.

29 DEPARTMENT OF HUMAN SERVICES — GENERAL ADMINISTRATION

30 Sec. _____. 2010 Iowa Acts, chapter 1192, section 30,
31 is amended by adding the following new subsection:

32 NEW SUBSECTION. 5. Notwithstanding section 8.33,
33 moneys appropriated in this section and the designated
34 allocations that remain unencumbered or unobligated
35 at the close of the fiscal year shall not revert but
36 shall remain available for expenditure for the purposes
37 designated until the close of the succeeding fiscal
38 year.>

39 107. Page 77, before line 30 by inserting:

40 <QUALITY ASSURANCE TRUST FUND — DEPARTMENT OF HUMAN
41 SERVICES>

42 108. Page 79, after line 3 by inserting:

43 <STATE INSTITUTION — APPROPRIATION TRANSFERS

44 Sec. _____. DEPARTMENT OF HUMAN SERVICES. There
45 is transferred between the following designated
46 appropriations made to the department of human services
47 for the fiscal year beginning July 1, 2010, and ending
48 June 30, 2011, not more than the following amounts:

49 1. From the appropriation made for purposes of the
50 state resource center at Glenwood in 2010 Iowa Acts,

1 chapter 1192, section 25, subsection 1, paragraph "a",
2 to the appropriation made for purposes of the Iowa
3 juvenile home at Toledo in 2010 Iowa Acts, chapter
4 1192, section 17, subsection 1:
5 \$ 400,000
6 2. From the appropriation made for purposes of the
7 state resource center at Woodward in 2010 Iowa Acts,
8 chapter 1192, section 25, subsection 1, paragraph "b",
9 to the appropriation made for purposes of the state
10 mental health institute at Independence in 2010 Iowa
11 Acts, chapter 1192, section 24, subsection 1, paragraph
12 "c":
13 \$ 400,000>
14 109. Page 79, by striking lines 4 through 14.
15 110. Page 81, after line 2 by inserting:
16 <Sec. _____. RETROACTIVE APPLICABILITY. The section
17 of this division of this Act making transfers between
18 appropriations made to the department of human services
19 for state institutions in 2010 Iowa Acts, chapter 1192,
20 applies retroactively to January 1, 2011.>
21 111. Page 82, after line 3 by inserting:
22 <Sec. _____. Section 29C.20B, Code 2011, is amended
23 to read as follows:
24 **29C.20B Disaster case management.**
25 1. ~~The rebuild Iowa office homeland security~~
26 ~~and emergency management division shall work with~~
27 ~~the department of human services and nonprofit,~~
28 ~~voluntary, and faith-based organizations active~~
29 ~~in disaster recovery and response in coordination~~
30 ~~with the homeland security and emergency management~~
31 ~~division the department of human services to establish~~
32 ~~a statewide system of disaster case management to be~~
33 ~~activated following the governor's proclamation of~~
34 ~~a disaster emergency or the declaration of a major~~
35 ~~disaster by the president of the United States for~~
36 ~~individual assistance purposes. Under the system, the~~
37 ~~department of human services homeland security and~~
38 ~~emergency management division shall coordinate case~~
39 ~~management services locally through local committees~~
40 ~~as established in each local emergency management~~
41 ~~commission's emergency plan. Beginning July 1,~~
42 ~~2011, the department of human services shall assume~~
43 ~~the duties of the rebuild Iowa office under this~~
44 ~~subsection.~~
45 2. ~~The department of human services homeland~~
46 ~~security and emergency management division, in~~
47 ~~conjunction with the rebuild Iowa office, the homeland~~
48 ~~security and emergency management division department~~
49 ~~of human services, and an Iowa representative to~~
50 ~~the national voluntary organizations active in~~

1 disaster, shall adopt rules pursuant to chapter 17A to
2 create coordination mechanisms and standards for the
3 establishment and implementation of a statewide system
4 of disaster case management which shall include at
5 least all of the following:

- 6 a. Disaster case management standards.
- 7 b. Disaster case management policies.
- 8 c. Reporting requirements.
- 9 d. Eligibility criteria.
- 10 e. Coordination mechanisms necessary to carry out
- 11 the services provided.
- 12 f. Develop formal working relationships with
- 13 agencies and create interagency agreements for
- 14 those considered to provide disaster case management
- 15 services.
- 16 g. Coordination of all available services for
- 17 individuals from multiple agencies.>

18 112. Page 82, after line 3 by inserting:
19 <Sec. _____. Section 135.106, Code 2011, is amended
20 by adding the following new subsection:
21 NEW SUBSECTION. 4. It is the intent of the general
22 assembly that priority for home visitation funding be
23 given to approaches using evidence-based or promising
24 models for home visitation.>

25 113. Page 82, after line 3 by inserting:
26 <Sec. _____. Section 135H.6, subsection 8, Code 2011,
27 is amended to read as follows:
28 8. The department of human services may give
29 approval to conversion of beds approved under
30 subsection 6, to beds which are specialized to provide
31 substance abuse treatment. However, the total number
32 of beds approved under subsection 6 and this subsection
33 shall not exceed four hundred thirty. Conversion of
34 beds under this subsection shall not require a revision
35 of the certificate of need issued for the psychiatric
36 institution making the conversion. Beds for children
37 who do not reside in this state and whose service costs
38 are not paid by public funds in this state are not
39 subject to the limitations on the number of beds and
40 certificate of need requirements otherwise applicable
41 under this section.>

42 114. Page 82, after line 31 by inserting:
43 <Sec. _____. Section 154A.24, subsection 3, paragraph
44 s, Code 2011, is amended by striking the paragraph.>
45 115. Page 82, after line 31 by inserting:
46 <Sec. _____. NEW SECTION. 155A.43 Pharmaceutical
47 collection and disposal program — annual allocation.
48 Of the fees collected pursuant to sections 124.301
49 and 147.80 and chapter 155A by the board of pharmacy,
50 and retained by the board pursuant to section 147.82,

1 not more than one hundred twenty-five thousand
2 dollars, may be allocated annually by the board for
3 administering the pharmaceutical collection and
4 disposal program originally established pursuant to
5 2009 Iowa Acts, chapter 175, section 9. The program
6 shall provide for the management and disposal of
7 unused, excess, and expired pharmaceuticals. The
8 board of pharmacy may cooperate with the Iowa pharmacy
9 association and may consult with the department and
10 sanitary landfill operators in administering the
11 program.>

12 116. Page 82, after line 31 by inserting:

13 <Sec. _____. Section 225B.8, Code 2011, is amended to
14 read as follows:

15 **225B.8 Repeal.**

16 This chapter is repealed July 1, ~~2011~~2016.>

17 117. Page 83, after line 9 by inserting:

18 <Sec. _____. Section 235B.19, Code 2011, is amended
19 by adding the following new subsection:

20 NEW SUBSECTION. 2A. a. The department shall
21 serve a copy of the petition and any order authorizing
22 protective services, if issued, on the dependent adult
23 and on persons who are competent adults and reasonably
24 ascertainable at the time the petition is filed in
25 accordance with the following priority:

26 (1) An attorney in fact named by the dependent
27 adult in a durable power of attorney for health care
28 pursuant to chapter 144B.

29 (2) The dependent adult's spouse.

30 (3) The dependent adult's children.

31 (4) The dependent adult's grandchildren.

32 (5) The dependent adult's siblings.

33 (6) The dependent adult's aunts and uncles.

34 (7) The dependent adult's nieces and nephews.

35 (8) The dependent adult's cousins.

36 b. When the department has served a person in one
37 of the categories specified in paragraph "a", the
38 department shall not be required to serve a person in
39 any other category.

40 c. The department shall serve the dependent adult's
41 copy of the petition and order personally upon the
42 dependent adult. Service of the petition and all other
43 orders and notices shall be in a sealed envelope with
44 the proper postage on the envelope, addressed to the
45 person being served at the person's last known post
46 office address, and deposited in a mail receptacle
47 provided by the United States postal service. The
48 department shall serve such copies of emergency orders
49 authorizing protective services and notices within
50 three days after filing the petition and receiving such

1 orders.
2 d. The department and all persons served by the
3 department with notices under this subsection shall
4 be prohibited from all of the following without prior
5 court approval after the department's petition has been
6 filed:
7 (1) Selling, removing, or otherwise disposing of
8 the dependent adult's personal property.
9 (2) Withdrawing funds from any bank, savings and
10 loan association, credit union, or other financial
11 institution, or from an account containing securities
12 in which the dependent adult has an interest.>
13 118. Page 83, after line 9 by inserting:
14 <Sec. _____. Section 237A.1, subsection 3, paragraph
15 n, Code 2011, is amended to read as follows:
16 n. A program offered to a child whose parent,
17 guardian, or custodian is engaged solely in a
18 recreational or social activity, remains immediately
19 available and accessible on the physical premises on
20 which the child's care is provided, and does not engage
21 in employment while the care is provided. However,
22 if the recreational or social activity is provided in
23 a fitness center or on the premises of a nonprofit
24 organization the parent, guardian, or custodian of the
25 child may be employed to teach or lead the activity.>
26 119. Page 83, after line 9 by inserting:
27 <Sec. _____. Section 249A.4B, subsection 2, paragraph
28 a, subparagraph (18), Code 2011, is amended to read as
29 follows:
30 (18) The ~~Iowa/Nebraska~~ Iowa primary care
31 association.>
32 120. Page 83, after line 9 by inserting:
33 <Sec. _____. NEW SECTION. 261.113 **Licensed social**
34 **worker loan repayment program.**
35 1. A licensed social worker loan repayment program
36 is established, to be administered by the college
37 student aid commission for the purpose of increasing
38 the number of social workers serving in critical human
39 service areas. For purposes of this section, "*critical*
40 *human service area*" includes but is not limited to an
41 area of the state with a shortage of social workers
42 providing health, mental health, substance abuse,
43 aging, HIV/AIDS, victim, or child welfare services, or
44 communities with multilingual needs. These areas shall
45 be designated by the college student aid commission,
46 in consultation with a committee comprised of one
47 representative each from the commission, the department
48 of public health, and the department of human services.
49 2. The contract for the loan repayment shall
50 stipulate the time period the licensed social worker

1 shall practice in a critical human service area.
2 In addition, the contract shall stipulate that the
3 licensed social worker repay any funds paid on the
4 person's loan by the commission if the person fails
5 to practice in a critical human service area for the
6 required period of time.

7 Sec. _____. **NEW SECTION. 261.114 Licensed social**
8 **worker loan repayment revolving fund.**

9 1. A licensed social worker loan repayment
10 revolving fund is created in the state treasury as a
11 separate fund under the control of the commission.
12 The commission shall deposit payments made by program
13 participants under section 261.113, subsection 2,
14 moneys appropriated for purposes of the licensed social
15 worker loan repayment program, and any other available
16 funds into the loan repayment revolving fund. Moneys
17 in the fund shall be used for purposes of the licensed
18 social worker loan repayment program. Notwithstanding
19 section 8.33, moneys deposited in the fund shall
20 not revert to any fund of the state at the end of
21 any fiscal year but shall remain in the fund and be
22 continuously available for the program.

23 2. Notwithstanding section 12C.7, subsection 2,
24 interest or earnings on moneys deposited in the fund
25 shall be credited to the fund.

26 3. a. The annual amount of loan repayment is six
27 thousand five hundred dollars for individuals who
28 have provided full-time social work services in a
29 critical human service area in the year prior to such
30 application, provided that no recipient shall receive
31 loan repayment that exceeds the total remaining balance
32 of the student loan debt and that no recipient shall
33 receive cumulative awards in excess of twenty-five
34 thousand dollars.

35 b. Awards shall be within the amounts appropriated
36 for such purpose and based on availability of funds.

37 4. Loan repayment awards shall be made annually to
38 applicants in the following order of priority:

39 a. First priority is given to applicants who have
40 received payment of an award pursuant to this section
41 in a prior year and who have provided social work
42 services in a critical human service area in the year
43 prior to such application.

44 b. Second priority is given to applicants who have
45 not received payment of an award pursuant to this
46 section in a prior year and who have provided social
47 work services in a critical human service area in the
48 year prior to such application.

49 c. Third priority is given to applicants who
50 are economically disadvantaged, as defined by the

1 commission.
2 5. The commission shall adopt rules pursuant to
3 chapter 17A to administer this section.>
4 121. Page 83, by striking lines 10 through 19.
5 122. Page 83, after line 21 by inserting:
6 <DIVISION
7 MEDICAID PRESCRIPTION DRUGS
8 Sec. _____. Section 249A.20A, subsection 4, Code
9 2011, is amended to read as follows:
10 4. With the exception of drugs prescribed for the
11 treatment of human immunodeficiency virus or acquired
12 immune deficiency syndrome, transplantation, or cancer
13 and drugs prescribed for mental illness with the
14 exception of drugs and drug compounds that do not
15 have a significant variation in a therapeutic profile
16 or side effect profile within a therapeutic class,
17 prescribing and dispensing of prescription drugs not
18 included on the preferred drug list shall be subject to
19 prior authorization.
20 Sec. _____. 2010 Iowa Acts, chapter 1031, section
21 348, is amended to read as follows:
22 SEC. 348. MEDICAID NONPREFERRED DRUG LIST
23 PRESCRIBING.
24 ~~1.~~ The department shall adopt rules pursuant
25 to chapter 17A to restrict physicians and other
26 prescribers to prescribing not more than a 72-hour
27 or three-day supply of a prescription drug not
28 included on the medical assistance preferred drug list
29 while seeking approval to continue prescribing the
30 medication.
31 ~~2. Notwithstanding subsection 1, the department~~
32 ~~shall adopt rules pursuant to chapter 17A to restrict a~~
33 ~~physician or other prescriber prescribing a chemically~~
34 ~~unique mental health prescription drug to prescribing~~
35 ~~not more than a seven-day supply of the prescription~~
36 ~~drug while requesting approval to continue to prescribe~~
37 ~~the medication. The rules shall provide that if~~
38 ~~an approval or disapproval is not received by the~~
39 ~~physician or other prescriber within 48 hours of the~~
40 ~~request, the request is deemed approved.~~
41 Sec. _____. REPEAL. 2010 Iowa Acts, chapter 1031,
42 section 349, is repealed.
43 Sec. _____. RESCINDING AND ADOPTION OF RULES. The
44 department of human services shall rescind the rules
45 adopted pursuant to 2010 Iowa Acts, chapter 1031,
46 section 347, chapter 1031, section 348, subsection
47 2, and chapter 1031, section 349, and shall instead
48 adopt emergency rules under section 17A.4, subsection
49 3, and section 17A.5, subsection 2, paragraph "b",
50 to implement section 249A.20A, as amended in this

1 division of this Act, and the rules shall be effective
2 immediately upon filing and retroactively applicable to
3 January 1, 2011, unless a later date is specified in
4 the rules. Any rules adopted in accordance with this
5 section shall also be published as a notice of intended
6 action as provided in section 17A.4.

7 Sec. _____. EFFECTIVE UPON ENACTMENT AND RETROACTIVE
8 APPLICABILITY. This division of this Act, being deemed
9 of immediate importance, takes effect upon enactment
10 and applies retroactively to January 1, 2011.>

11 123. Page 83, after line 21 by inserting:

12 <DIVISION
13 IOWA FALSE CLAIMS ACT

14 Sec. _____. Section 685.1, subsection 11, Code 2011,
15 is amended to read as follows:

16 11. "*Original source*" means an individual who ~~has~~
17 ~~direct and independent~~ prior to a public disclosure
18 under section 685.3, subsection 5, paragraph "c", has
19 voluntarily disclosed to the state the information on
20 which the allegations or transactions in a claim are
21 based; or who has knowledge of the information on which
22 the allegations are based that is independent of and
23 materially adds to the publicly disclosed allegations
24 or transactions, and has voluntarily provided the
25 information to the state before filing an action under
26 section 685.3 which is based on the information this
27 chapter.

28 Sec. _____. Section 685.1, Code 2011, is amended by
29 adding the following new subsection:

30 NEW SUBSECTION. 15. "*State*" means the state of
31 Iowa.

32 Sec. _____. Section 685.2, subsection 1, unnumbered
33 paragraph 1, Code 2011, is amended to read as follows:

34 A person who commits any of the following acts is
35 jointly and severally liable to the state for a civil
36 penalty of not less than five thousand dollars and
37 not more than ten thousand dollars the civil penalty
38 allowed under the federal False Claims Act, as codified
39 in 31 U.S.C. § 3729 et seq., as may be adjusted in
40 accordance with the inflation adjustment procedures
41 prescribed in the federal Civil Penalties Inflation
42 Adjustment Act of 1990, Pub. L. No. 101-410, for each
43 false or fraudulent claim, plus three times the amount
44 of damages which the state sustains because of the act
45 of that person:

46 Sec. _____. Section 685.3, subsection 5, paragraph
47 c, Code 2011, is amended by striking the paragraph and
48 inserting in lieu thereof the following:

49 c. A court shall dismiss an action or claim
50 under this section, unless opposed by the state, if

1 substantially the same allegations or transactions as
2 alleged in the action or claim were publicly disclosed
3 in a state criminal, civil, or administrative hearing
4 in which the state or an agent of the state is a
5 party; in a state legislative, state auditor, or other
6 state report, hearing, audit, or investigation; or
7 by the news media, unless the action is brought by
8 the attorney general or the qui tam plaintiff is an
9 original source of the information.

10 Sec. _____. Section 685.3, subsection 6, Code 2011,
11 is amended to read as follows:

12 6. a. Any employee, contractor, or agent ~~who~~
13 shall be entitled to all relief necessary to make
14 that employee, contractor, or agent whole, if that
15 employee, contractor, or agent is discharged, demoted,
16 suspended, threatened, harassed, or in any other manner
17 discriminated against in the terms and conditions of
18 employment because of lawful acts performed done by
19 the employee, contractor, or agent on behalf of the
20 employee, contractor, or agent or associated others in
21 furtherance of an action under this section or other
22 efforts to stop a violation one or more violations of
23 this chapter, shall be entitled to all relief necessary
24 to make the employee, contractor, or agent whole. Such
25 relief

26 b. Relief under paragraph "a" shall include
27 reinstatement with the same seniority status ~~such~~
28 that employee, contractor, or agent would have had
29 but for the discrimination, two times the amount of
30 back pay, interest on the back pay, and compensation
31 for any special damages sustained as a result of
32 the discrimination, including litigation costs and
33 reasonable attorney fees. An employee, contractor, or
34 agent may bring an action under this subsection may be
35 brought in the appropriate district court of the state
36 for the relief provided in this subsection.

37 c. A civil action under this subsection shall not
38 be brought more than three years after the date when
39 the retaliation occurred.

40 DIVISION _____

41 VOLUNTEER HEALTH CARE PROVIDER PROGRAM

42 <Sec. _____. Section 135.24, subsection 2, Code 2011,
43 is amended by adding the following new paragraph:

44 NEW PARAGRAPH. e. Procedures for a hospital to
45 register and act as a sponsor entity for the program.
46 A hospital acting as a sponsor entity under this
47 paragraph shall enter into an agreement with the
48 program to allow an individual health care provider
49 who registers and complies with the requirements of
50 this section to deliver free health care services to

1 uninsured and underinsured individuals at the sponsor
2 entity location. The sponsor entity shall not bill,
3 charge, or receive compensation and shall not be
4 considered a state agency under chapter 669 when acting
5 as a sponsor entity under this paragraph.

6 Sec. _____. Section 135.24, subsection 3, paragraph
7 b, Code 2011, is amended to read as follows:

8 b. Provided medical, dental, chiropractic,
9 pharmaceutical, nursing, optometric, psychological,
10 social work, behavioral science, podiatric, physical
11 therapy, occupational therapy, respiratory therapy, or
12 emergency medical care services through a hospital,
13 clinic, free clinic, field dental clinic, specialty
14 health care provider office, or other health care
15 facility, health care referral program, or charitable
16 organization listed as eligible and participating by
17 the department pursuant to subsection 1 or through
18 a hospital that has entered into a sponsor entity
19 agreement as described in subsection 2.>

20 DIVISION _____

21 HEALTH CARE COST CONTAINMENT

22 Sec. _____. ALL-PAYER CLAIMS DATABASE PLAN. The
23 department of human services shall develop a plan to
24 establish an all-payer claims database to provide
25 for the collection and analysis of claims data from
26 multiple payers of health care. The plan shall
27 establish the goals of the database which may include
28 but are not limited to determining health care
29 utilization patterns and rates; identifying gaps in
30 prevention and health promotion services; evaluating
31 access to care; assisting with benefit design and
32 planning; analyzing statewide and local health care
33 expenditures by provider, employer, and geography;
34 informing the development of payment systems for
35 providers; and establishing clinical guidelines related
36 to quality, safety, and continuity of care. The plan
37 shall identify a standard means of data collection,
38 statutory changes necessary to the collection and
39 use of the data, and the types of claims for which
40 collection of data is required which may include
41 but are not limited to eligibility data; provider
42 information; medical data; private and public medical,
43 pharmacy, and dental claims data; and other appropriate
44 data. The plan shall also include an implementation
45 and maintenance schedule including a proposed budget
46 and funding plan and vision for the future.

47 Sec. _____. PROVIDER PAYMENT SYSTEM PLAN — PILOT
48 PROJECT. The department of human services shall
49 develop a provider payment system plan to provide
50 recommendations to reform the health care provider

1 payment system as an effective way to promote
2 coordination of care, lower costs, and improve quality.
3 The plan shall provide analysis and recommendations
4 regarding but not limited to accountable care
5 organizations, a global payment system, or an episode
6 of care payment system.
7 Sec. _____. EFFECTIVE UPON ENACTMENT. This division
8 of this Act, being deemed of immediate importance,
9 takes effect upon enactment.>

10 124. Page 83, after line 21 by inserting:

11 <DIVISION
12 NURSING FACILITY QUALITY ASSURANCE ASSESSMENT PROGRAM
13 Sec. _____. Section 249L.2, Code 2011, is amended by
14 adding the following new subsection:

15 NEW SUBSECTION. 8A. "*Patient service revenue*" means
16 the total Medicaid, Medicare, and private pay revenues
17 as they correlate with the Medicaid cost reports.

18 Sec. _____. Section 249L.3, subsection 1, paragraph
19 d, Code 2011, is amended to read as follows:

20 *d.* The aggregate quality assurance assessments
21 imposed under this chapter shall not exceed the lower
22 of ~~three~~ five percent of the aggregate ~~non-Medicare~~
23 patient service revenues of a nursing facility or the
24 maximum amount that may be assessed pursuant to the
25 indirect guarantee threshold as established pursuant to
26 42 C.F.R. § 433.68(f)(3)(i), and shall be stated on a
27 per-patient-day basis.

28 Sec. _____. Section 249L.4, subsection 2, Code 2011,
29 is amended to read as follows:

30 2. *a.* Moneys in the trust fund shall be used,
31 subject to their appropriation by the general assembly,
32 by the department only for reimbursement of services
33 for which federal financial participation under the
34 medical assistance program is available to match state
35 funds.

36 *b.* Any moneys appropriated from the trust fund for
37 reimbursement of nursing facilities, in addition to
38 the quality assurance assessment pass-through and the
39 quality assurance assessment rate add-on which shall be
40 used as specified in subsection 5, paragraph "*b*", shall
41 be used in a manner such that no less than thirty-five
42 percent of the amount received by a nursing facility
43 is used for increases in compensation and costs
44 of employment for direct care workers, and no less
45 than sixty percent of the total is used to increase
46 compensation and costs of employment for all nursing
47 facility staff. For the purposes of use of such
48 funds, "*direct care worker*", "*nursing facility staff*",
49 "*increases in compensation*", and "*costs of employment*"
50 mean as defined or specified in this chapter.

1 c. One million dollars of the moneys in the trust
2 fund shall be used to increase the monthly upper cost
3 limit for services under the medical assistance home
4 and community-based services waiver for the elderly.

5 Sec. _____. Section 249L.4, subsection 5, paragraph
6 a, subparagraph (2), Code 2011, is amended to read as
7 follows:

8 (2) A quality assurance assessment rate
9 add-on. This rate add-on shall be calculated on a
10 per-patient-day basis for medically indigent residents.
11 The amount paid to a nursing facility as a quality
12 assurance assessment rate add-on shall ~~be ten~~ not
13 exceed fifteen dollars per patient day.

14 Sec. _____. DIRECTIVE TO DEPARTMENT OF HUMAN
15 SERVICES. Upon enactment of this division of this Act,
16 the department of human services shall request any
17 medical assistance state plan amendment necessary to
18 implement the revisions to the nursing facility quality
19 assurance assessment program specified in this division
20 of this Act from the centers for Medicare and Medicaid
21 services of the United States department of health and
22 human services.

23 Sec. _____. CONTINGENCY PROVISION. The revised
24 quality assurance assessment specified in this Act
25 shall accrue beginning July 1, 2011. However, accrued
26 quality assurance assessments shall not be collected
27 prior to completion of both of the following:

28 1. The approval of the medical assistance state
29 plan amendment necessary to implement the revisions
30 specified in this division of this Act by the centers
31 for Medicare and Medicaid services of the United States
32 department of health and human services.

33 2. An appropriation enacted by the general assembly
34 to implement the revised nursing facility provider
35 reimbursements as provided in this Act.

36 Sec. _____. EFFECTIVE UPON ENACTMENT AND
37 APPLICABILITY. This division of this Act, being deemed
38 of immediate importance, takes effect upon enactment.
39 However, the department of human services shall only
40 implement this division of this Act if the department
41 receives approval of the state plan amendment necessary
42 to implement the revisions to the nursing facility
43 quality assurance assessment program as specified in
44 this division of this Act.>

45 125. Page 83, after line 21 by inserting:

46 <DIVISION _____
47 PHARMACY ASSESSMENT

48 Sec. _____. NEW SECTION. 249N.1 Title.

49 This chapter shall be known and may be cited as the
50 "*Pharmacy Assessment Program*".

1 Sec. _____. NEW SECTION. **249N.2 Definitions.**

2 As used in this chapter, unless the context
3 otherwise requires:

4 1. "*Department*" means the department of human
5 services.

6 2. "*Pharmacy*" means pharmacy as defined in section
7 155A.3.

8 Sec. _____. NEW SECTION. **249N.3 Pharmacy assessment**
9 **program.**

10 1. Beginning July 1, 2011, or the implementation
11 date of the pharmacy assessment program as determined
12 by receipt of approval from the centers for Medicare
13 and Medicaid services of the United States department
14 of health and human services, whichever is later, a
15 pharmacy in this state shall be assessed a fee based
16 on a methodology determined by the department in
17 consultation with pharmacy representatives. Pharmacies
18 domiciled or headquartered outside the state that are
19 engaged in prescription drug sales that are delivered
20 directly to patients within the state via common
21 carrier, mail, or a carrier service are not subject to
22 the provisions of this chapter.

23 2. The aggregate assessment imposed under this
24 section shall not exceed the maximum amount that may be
25 assessed pursuant to the indirect guarantee threshold
26 as established pursuant to 42 C.F.R. § 433.68(f)(3)(i),
27 and shall be stated on a per prescription basis.

28 3. The assessment shall be paid by or on behalf of
29 each pharmacy to the department on a quarterly basis.
30 The department shall prepare and distribute a form
31 upon which pharmacies shall calculate and report the
32 assessment. A pharmacy shall submit the completed
33 form with the assessment amount no later than the last
34 day of the month following the end of each calendar
35 quarter. The department may deduct the monthly amount
36 from medical assistance payments to a pharmacy. The
37 amount deducted from the payments shall not exceed the
38 total amount of the assessment due.

39 4. A pharmacy shall retain and preserve for a
40 period of three years such books and records as may be
41 necessary to determine the amount of the assessment
42 for which the pharmacy is liable under this chapter.
43 The department may inspect and copy the books and
44 records of a pharmacy for the purpose of auditing
45 the calculation of the assessment. All information
46 obtained by the department under this subsection is
47 confidential and does not constitute a public record.

48 5. The department shall collect the assessment
49 imposed and shall deposit all revenues collected in
50 the pharmacy assessment trust fund created in section

1 249N.4.

2 6. a. A pharmacy that fails to pay the assessment
3 within the time frame specified in this section
4 shall pay, in addition to the outstanding assessment,
5 a penalty of one and five-tenths percent of the
6 assessment amount owed for each month or portion of
7 each month that the payment is overdue.

8 b. If the assessment has not been received by the
9 department by seven days after the last day of the
10 month in which the payment is due, the department shall
11 withhold an amount equal to the assessment and penalty
12 owed from any payment due such pharmacy under the
13 medical assistance program.

14 c. The assessment imposed under this section
15 constitutes a debt due the state and may be collected
16 by civil action, including but not limited to the
17 filing of tax liens, and any other method provided for
18 by law.

19 d. Any penalty collected pursuant to this
20 subsection shall be credited to the pharmacy assessment
21 trust fund.

22 7. a. If pharmacies are not reimbursed at the
23 reimbursement rates established pursuant to this
24 chapter, the department shall terminate the imposition
25 of the assessment under this section no later than
26 ninety days from the date such reimbursement takes
27 effect.

28 b. If federal financial participation to match the
29 assessments made under this section becomes unavailable
30 under federal law, the department shall terminate the
31 imposition of the assessments beginning on the date the
32 federal statutory, regulatory, or interpretive change
33 takes effect.

34 Sec. _____. NEW SECTION. 249N.4 Pharmacy assessment
35 trust fund.

36 1. A pharmacy assessment trust fund is created
37 in the state treasury under the authority of the
38 department. Moneys received through the collection of
39 the pharmacy assessment imposed under this chapter and
40 any other moneys specified for deposit in the trust
41 fund shall be deposited in the trust fund.

42 2. Moneys in the trust fund shall be used, subject
43 to their appropriation by the general assembly, by
44 the department only for reimbursement of services for
45 which federal financial participation under the medical
46 assistance program is available to match state funds.

47 3. Beginning July 1, 2011, or the implementation
48 date of the pharmacy assessment program as determined
49 by receipt of approval from the centers for Medicare
50 and Medicaid services of the United States department

1 of health and human services, whichever is later,
2 moneys that are appropriated from the trust fund for
3 reimbursement to pharmacies shall be used to provide
4 the following pharmacy reimbursement adjustment
5 increases within the parameters specified:
6 a. Enhanced generic prescription drug dispensing
7 fee. The department shall reimburse pharmacy
8 dispensing fees using a rate of four dollars and
9 thirty-four cents per prescription plus the enhanced
10 generic prescription drug dispensing fee per generic
11 prescription.
12 b. Enhanced brand name prescription drug dispensing
13 fee. The department shall reimburse pharmacy
14 dispensing fees using a rate of four dollars and
15 thirty-four cents per prescription plus the enhanced
16 brand name prescription drug dispensing fee per brand
17 name prescription.
18 4. Appropriations from the trust fund shall be
19 based on the following:
20 a. For the fiscal year beginning July 1, 2011,
21 fifty-one percent of the moneys in the trust fund shall
22 be appropriated for reimbursement to pharmacies.
23 b. For the fiscal year beginning July 1, 2012,
24 seventy-five percent of the moneys in the trust fund
25 shall be appropriated for reimbursement to pharmacies.
26 5. Any payments made to pharmacies under this
27 section shall result in budget neutrality to the
28 general fund of the state.
29 6. The trust fund shall be separate from the
30 general fund of the state and shall not be considered
31 part of the general fund of the state. The moneys
32 in the trust fund shall not be considered revenue of
33 the state, but rather shall be funds of the pharmacy
34 assessment program. The moneys deposited in the
35 trust fund are not subject to section 8.33 and shall
36 not be transferred, used, obligated, appropriated,
37 or otherwise encumbered, except to provide for the
38 purposes of this chapter. Notwithstanding section
39 12C.7, subsection 2, interest or earnings on moneys
40 deposited in the trust fund shall be credited to the
41 trust fund.
42 7. The department shall adopt rules pursuant
43 to chapter 17A to administer the trust fund and
44 reimbursements made from the trust fund.
45 8. The department shall report annually to the
46 general assembly regarding the use of moneys deposited
47 in the trust fund and appropriated to the department.
48 Sec. _____. NEW SECTION. 249N.5 REPEAL.
49 This chapter is repealed June 30, 2013.
50 Sec. _____. DIRECTIVE TO DEPARTMENT OF HUMAN

1 SERVICES. Upon enactment of this division of this Act,
2 the department of human services shall request any
3 medical assistance state plan amendment necessary to
4 implement this division of this Act from the centers
5 for Medicare and Medicaid services of the United States
6 department of health and human services.

7 Sec. _____. CONTINGENCY PROVISIONS.

8 1. The pharmacy assessment imposed pursuant to this
9 division of this Act shall not be imposed retroactively
10 prior to July 1, 2011.

11 2. The pharmacy assessment shall not be collected
12 until the department of human services has received
13 approval of the assessment from the centers for
14 Medicare and Medicaid services of the United States
15 department of health and human services.

16 Sec. _____. EFFECTIVE UPON ENACTMENT AND
17 APPLICABILITY. This division of this Act, being deemed
18 of immediate importance, takes effect upon enactment.
19 However, the department of human services shall only
20 implement this division of this Act if the department
21 receives federal approval of the requests relating to
22 the medical assistance state plan amendment necessary
23 to implement this division of this Act.>

24 126. Page 83, after line 21 by inserting:

25 <DIVISION

26 BISPHENOL A PROHIBITION

27 Sec. _____. NEW SECTION. 135.181 **Bisphenol A**
28 **prohibition.**

29 1. As used in this section, unless the context
30 otherwise requires:

31 a. "*Infant pacifier*" means a device designed to be
32 bitten or sucked by an infant for the sole purpose of
33 soothing or providing comfort to the infant, including
34 soothing discomfort caused by teething.

35 b. "*Reusable beverage container*" means a baby bottle
36 or spill-proof container primarily intended by the
37 manufacturer for use by a child three years of age or
38 younger.

39 1A. For purposes of this section, "*reusable beverage*
40 *container*" includes disposable baby bottle liners
41 designed to hold liquids in a baby bottle.

42 2. Beginning January 1, 2013, a person shall
43 not manufacture, sell, or distribute in commerce in
44 this state any infant pacifier or reusable beverage
45 container containing bisphenol A. A manufacturer or
46 wholesaler who sells or offers for sale in this state a
47 reusable beverage container that is intended for retail
48 sale shall do all of the following:

49 a. Ensure that the container is conspicuously
50 labeled as not containing bisphenol A.

1 b. Provide the retailer with affirmation that the
2 container does not contain bisphenol A.

3 3. A manufacturer shall use the least toxic
4 alternative when replacing bisphenol A in accordance
5 with this section.

6 4. In complying with this section, a manufacturer
7 shall not replace bisphenol A with a substance rated
8 by the United States environmental protection agency
9 as a class A, B, or C carcinogen or a substance listed
10 on the agency's list of chemicals evaluated for
11 carcinogenic potential as known or likely carcinogens,
12 known to be human carcinogens, or likely to be human
13 carcinogens.

14 5. In complying with this section, a manufacturer
15 shall not replace bisphenol A with a reproductive
16 toxicant that has been identified by the United States
17 environmental protection agency as causing birth
18 defects, reproductive harm, or developmental harm.

19 6. A person who violates this section is subject
20 to a civil penalty of five hundred dollars for each
21 violation.

22 Sec. _____. EFFECTIVE DATE. This division of this
23 Act takes effect January 1, 2013.>

24 127. Page 83, after line 21 by inserting:

25 <DIVISION

26 HEALTH INFORMATION TECHNOLOGY

27 Sec. _____. NEW SECTION. 135D.1 Findings and intent.

28 1. The general assembly finds all of the following:

29 a. Technology used to support health-related
30 functions is widely known as health information
31 technology. Electronic health records are used to
32 collect and store relevant patient health information.
33 Electronic health records serve as a means of bringing
34 evidence-based knowledge resources and patient
35 information to the point of care to support better
36 decision making and more efficient care processes.

37 b. Health information technology allows for
38 comprehensive management of health information and its
39 secure electronic exchange between providers, public
40 health agencies, payers, and consumers. Broad use of
41 health information technology should improve health
42 care quality and the overall health of the population,
43 increase efficiencies in administrative health care,
44 reduce unnecessary health care costs, and help prevent
45 medical errors.

46 c. Health information technology provides a
47 mechanism to transform the delivery of health and
48 medical care in Iowa and across the nation.

49 2. It is the intent of the general assembly to
50 use health information technology as a catalyst

1 to achieve a healthier Iowa through the electronic
2 sharing of health information. A health information
3 network involves sharing health information across the
4 boundaries of individual practice and institutional
5 health settings and with consumers. The result is a
6 public good that will contribute to improved clinical
7 outcomes and patient safety, population health, access
8 to and quality of health care, and efficiency in health
9 care delivery.

10 3. It is the intent of the general assembly that
11 the health information network shall not constitute a
12 health benefit exchange or a health insurance exchange.

13 Sec. ____ . NEW SECTION. 135D.2 Definitions.

14 For the purposes of this chapter, unless the context
15 otherwise requires:

16 1. "Authorized" means having met the requirements
17 as a participant for access to the health information
18 network.

19 2. "Board" means the board of directors of Iowa
20 e-health.

21 3. "Consumers" means people who acquire and use
22 goods and services for personal need.

23 4. "Continuity of care document" means a summary
24 of a patient's health information for each visit to a
25 provider to be delivered through the health information
26 network.

27 5. "Department" means the department of public
28 health.

29 6. "Deputy director" means the deputy director of
30 public health.

31 7. "Director" means the director of public health.

32 8. "Exchange" means the authorized electronic
33 sharing of health information between providers,
34 payers, consumers, public health agencies, the
35 department, and other authorized participants utilizing
36 the health information network and health information
37 network services.

38 9. "Executive director" means the executive director
39 of the office of health information technology.

40 10. "Health information" means any information,
41 in any form or medium, that is created, transmitted,
42 or received by a provider, payer, consumer, public
43 health agency, the department, or other authorized
44 participant, which relates to the past, present,
45 or future physical or mental health or condition of
46 an individual; the provision of health care to an
47 individual; or the past, present, or future payment for
48 the provision of health care to an individual.

49 11. "Health information network" means the exclusive
50 statewide electronic health information network.

1 12. *"Health information network services"* means
2 the exchanging of health information via the health
3 information network; education and outreach to
4 support connection and access to and use of the health
5 information network; and all other activities related
6 to the electronic exchange of health information.
7 13. *"Health Insurance Portability and Accountability*
8 *Act"* means the federal Health Insurance Portability
9 and Accountability Act of 1996, Pub. L. No. 104-191,
10 including amendments thereto and regulations
11 promulgated thereunder.
12 14. *"Infrastructure"* means technology including
13 architecture, hardware, software, networks, terminology
14 and standards, and policies and procedures governing
15 the electronic exchange of health information.
16 15. *"Iowa e-health"* means the collaboration
17 between the department and other public and private
18 stakeholders to establish, operate, and sustain an
19 exclusive statewide health information network.
20 16. *"Iowa Medicaid enterprise"* means Iowa medicaid
21 enterprise as defined in section 249J.3.
22 17. *"Local board of health"* means a city, county, or
23 district board of health.
24 18. *"Office"* means the office of health information
25 technology within the department.
26 19. *"Participant"* means an authorized provider,
27 payer, patient, public health agency, the department,
28 or other authorized person that has voluntarily agreed
29 to authorize, submit, access, and disclose health
30 information through the health information network in
31 accordance with this chapter and all applicable laws,
32 rules, agreements, policies, and procedures.
33 20. *"Participation and data sharing agreement"* means
34 the agreement outlining the terms of access and use for
35 participation in the health information network.
36 21. *"Patient"* means a person who has received or is
37 receiving health services from a provider.
38 22. *"Payer"* means a person who makes payments
39 for health services, including but not limited to an
40 insurance company, self-insured employer, government
41 program, individual, or other purchaser that makes such
42 payments.
43 23. *"Protected health information"* means
44 individually identifiable patient information,
45 including demographic information, related to the past,
46 present, or future health or condition of a person;
47 the provision of health care to a person; or the past,
48 present, or future payment for such health care; which
49 is created, transmitted, or received by a participant.
50 *"Protected health information"* does not include

1 education and other records that are covered under the
2 federal Family Educational Rights and Privacy Act of
3 1974, as codified at 20 U.S.C. 1232g, as amended; or
4 any employment records maintained by a covered entity,
5 as defined under the Health Insurance Portability and
6 Accountability Act, in its role as an employer.

7 24. "Provider" means a hospital, physician clinic,
8 pharmacy, laboratory, health service provider, or
9 other person that is licensed, certified, or otherwise
10 authorized or permitted by law to administer health
11 care in the ordinary course of business or in the
12 practice of a profession, or any other person or
13 organization that furnishes, bills, or is paid for
14 health care in the normal course of business.

15 25. "Public health agency" means an entity that is
16 governed by or contractually responsible to a local
17 board of health or the department to provide services
18 focused on the health status of population groups and
19 their environments.

20 26. "Purchaser" means any individual, employer,
21 or organization that purchases health insurance or
22 services and includes intermediaries.

23 27. "Vendor" means a person or organization that
24 provides or proposes to provide goods or services to
25 the department pursuant to a contract, but does not
26 include an employee of the state, a retailer, or a
27 state agency or instrumentality.

28 Sec. ____ . NEW SECTION. 135D.3 Iowa e-health
29 established — guiding principles, goals, domains.

30 1. Iowa e-health is established as a
31 public-private, multi-stakeholder collaborative.
32 The purpose of Iowa e-health is to develop, administer,
33 and sustain the health information network to improve
34 the quality, safety, and efficiency of health care
35 available to Iowans.

36 2. Iowa e-health shall manage and operate
37 the health information network. Nothing in
38 this chapter shall be interpreted to impede or
39 preclude the formation and operation of regional,
40 population-specific, or local health information
41 networks or their participation in the health
42 information network.

43 3. Iowa e-health shall facilitate the exchange
44 of health information for prevention and treatment
45 purposes to help providers make the best health care
46 decisions for patients and to provide patients with
47 continuity of care regardless of the provider the
48 patient visits.

49 4. The guiding principles of Iowa e-health include
50 all of the following:

1 *a.* To engage in a collaborative, public-private,
2 multi-stakeholder effort including providers, payers,
3 purchasers, governmental entities, educational
4 institutions, and consumers.
5 *b.* To create a sustainable health information
6 network which makes information available when and
7 where it is needed.
8 *c.* To ensure the health information network
9 incorporates provider priorities and appropriate
10 participant education.
11 *d.* To instill confidence in consumers that their
12 health information is secure, private, and accessed
13 appropriately.
14 *e.* To build on smart practices and align with
15 federal standards to ensure interoperability within and
16 beyond the state.
17 5. The goals of Iowa e-health include all of the
18 following:
19 *a.* To build awareness and trust of health
20 information technology through communication and
21 outreach to providers and consumers.
22 *b.* To safeguard privacy and security of health
23 information shared electronically between participants
24 through the health information network so that the
25 health information is secure, private, and accessed
26 only by authorized individuals and entities.
27 *c.* To promote statewide deployment and use of
28 electronic health records.
29 *d.* To enable the electronic exchange of health
30 information.
31 *e.* To advance coordination of activities across
32 state and federal governments.
33 *f.* To establish a governance model for the health
34 information network.
35 *g.* To establish sustainable business and technical
36 operations for the health information exchange.
37 *h.* To secure financial resources to develop and
38 sustain the health information network.
39 *i.* To monitor and evaluate health information
40 technology progress and outcomes.
41 6. Iowa e-health shall include the following five
42 domains:
43 *a. Governance.* Iowa e-health shall be governed
44 by a board of directors whose members represent
45 stakeholders such as provider organizations and
46 associations, providers, payers, purchasers,
47 governmental entities, business, and consumers. Iowa
48 e-health shall be supported by the department's office
49 of health information technology. The board shall
50 set direction, goals, and policies for Iowa e-health

1 and provide oversight of the business and technical
2 operations of the health information network and health
3 information network services.

4 *b. Business and technical operations.* The office of
5 health information technology shall perform day-to-day
6 operations to support and advance Iowa e-health, the
7 health information network, and health information
8 network services.

9 *c. Finance.* Iowa e-health shall identify and
10 manage financial resources to achieve short-term and
11 long-term sustainability of the health information
12 network. The health information network shall be
13 financed by participants based on a business model and
14 financial sustainability plan approved by the board
15 no later than December 31, 2011, and submitted to the
16 governor and the general assembly. The model and plan
17 may contemplate participant fees based on value-based
18 principles. Fees shall not be assessed to participants
19 prior to approval by the board and an enactment of the
20 general assembly establishing such fees.

21 *d. Technical infrastructure.* Iowa e-health shall
22 implement and manage the core infrastructure and
23 standards to enable the safe and secure delivery of
24 health information to providers and consumers through
25 the health information network.

26 *e. Legal and policy.* Iowa e-health shall establish
27 privacy and security policies and guidelines, and
28 participation and data sharing agreements, to protect
29 consumers and enforce rules for utilization of the
30 health information network.

31 **Sec. ____.** **NEW SECTION. 135D.4 Governance — board**
32 **of directors — advisory council.**

33 1. Iowa e-health shall be governed by a board of
34 directors. Board members shall be residents of the
35 state of Iowa. The membership of the board shall
36 comply with sections 69.16 and 69.16A.

37 2. The board of directors shall be comprised of the
38 following members:

39 *a.* The board shall include all of the following as
40 voting members:

41 (1) Two members who represent the Iowa
42 collaborative safety net provider network created in
43 section 135.153, designated by the network.

44 (2) Four members who represent hospitals, two of
45 whom are designated by the two largest health care
46 systems in the state, one of whom is designated by the
47 university of Iowa hospitals and clinics, and one of
48 whom is designated by the Iowa hospital association to
49 represent critical access hospitals.

50 (3) Two members who represent two different private

1 health insurance carriers, designated by the federation
2 of Iowa insurers, one of which has the largest health
3 market share in Iowa.

4 (4) One member who is a licensed physician,
5 designated by the Iowa medical society.

6 (5) One member representing the department who is
7 designated by the department.

8 (6) One member representing the Iowa Medicaid
9 enterprise who is the Iowa Medicaid director, or the
10 director's designee.

11 b. The board shall include as ex officio,
12 nonvoting members four members of the general
13 assembly, one appointed by the speaker of the house of
14 representatives, one appointed by the minority leader
15 of the house of representatives, one appointed by the
16 majority leader of the senate, and one appointed by the
17 minority leader of the senate.

18 3. A person shall not serve on the board in any
19 capacity if the person is required to register as a
20 lobbyist under section 68B.36 because of the person's
21 activities for compensation on behalf of a profession
22 or an entity that is engaged in providing health care,
23 reviewing or analyzing health care, paying for health
24 care services or procedures, or providing health
25 information technology or health information network
26 services.

27 4. a. Board members shall serve four-year terms
28 but shall not serve more than two consecutive four-year
29 terms. However, the board members who represent state
30 agencies are not subject to term limits.

31 b. At the end of any term, a member of the
32 board may continue to serve until the appointing or
33 designating authority names a successor.

34 c. A vacancy on the board shall be filled for the
35 remainder of the term in the manner of the original
36 appointment. A vacancy in the membership of the board
37 shall not impair the right of the remaining members to
38 exercise all the powers and perform all the duties of
39 the board.

40 d. A board member may be removed by the board for
41 cause including but not limited to malfeasance in
42 office, failure to attend board meetings, misconduct,
43 or violation of ethical rules and standards.
44 Nonattendance of the board members appointed by the
45 governor shall be governed by the provisions of section
46 69.15. A board member may be removed by a vote of the
47 board if, based on the criteria provided in section
48 69.15, subsection 1, paragraphs "a" and "b", the board
49 member would be deemed to have submitted a resignation
50 from the board.

1 e. The board members shall elect a chairperson from
2 their membership. The department's designee shall
3 serve as vice chairperson.

4 5. Meetings of the board shall be governed by the
5 provisions of chapter 21.

6 a. The board shall meet upon the call of the
7 chairperson or the vice chairperson. Notice of the
8 time and place of each board meeting shall be given
9 to each member. The board shall keep accurate and
10 complete records of all of its meetings.

11 b. A simple majority of the members shall
12 constitute a quorum to enable the transaction of any
13 business and for the exercise of any power or function
14 of the board. Action may be taken and motions and
15 resolutions adopted by the affirmative vote of a
16 majority of the members attending the meeting whether
17 in person, by telephone, web conference, or other
18 means. A board member shall not vote by proxy or
19 through a delegate.

20 c. Public members of the board shall receive
21 reimbursement for actual expenses incurred while
22 serving in their official capacity, only if they are
23 not eligible for reimbursement by the organization that
24 they represent. A person who serves as a member of
25 the board shall not by reason of such membership be
26 entitled to membership in the Iowa public employees'
27 retirement system or service credit for any public
28 retirement system.

29 6. The board may exercise its powers, duties,
30 and functions as provided in this chapter and as
31 prescribed by law. The director and the board shall
32 ensure that matters under the purview of the board
33 are carried out in a manner that does not violate or
34 risk violation of applicable state or federal laws or
35 regulations, and that supports overriding public policy
36 and public safety concerns, fiscal compliance, and
37 compliance with the office of the national coordinator
38 for health information technology state health
39 information exchange cooperative agreement program or
40 any other cooperative agreement programs or grants
41 supporting Iowa e-health. The board shall do all of
42 the following:

43 a. Participate in the selection of the executive
44 director and assist in the development of performance
45 standards and evaluations of the executive director.

46 b. Establish priorities among health information
47 network services based on the needs of the population
48 of this state.

49 c. Oversee the handling and accounting of assets
50 and moneys received for or generated by the health

1 information network.
2 d. Establish committees and workgroups as needed.
3 e. Review and approve or disapprove all of the
4 following, as proposed by the department:
5 (1) Strategic, operational, and financial
6 sustainability plans for Iowa e-health, the health
7 information network, and health information network
8 services.
9 (2) Standards, requirements, policies, and
10 procedures for access, use, secondary use, and privacy
11 and security of health information network through the
12 health information exchange, consistent with applicable
13 federal and state standards and laws.
14 (3) Policies and procedures for administering the
15 infrastructure, technology, and associated professional
16 services necessary for the business and technical
17 operation of the health information network and health
18 information network services.
19 (4) Policies and procedures for evaluation of the
20 health information network and health information
21 network services.
22 (5) Mechanisms for periodic review and update of
23 policies and procedures.
24 (6) An annual budget and fiscal report for the
25 operations of the health information network and an
26 annual report for Iowa e-health and health information
27 network services.
28 (7) Major purchases of goods and services.
29 f. Adopt administrative rules pursuant to chapter
30 17A to implement this chapter and relating to the
31 management and operation of the health information
32 network and health information network services.
33 g. Adopt rules for monitoring access to and use
34 of the health information network and enforcement
35 of health information network rules, standards,
36 requirements, policies, and procedures. The board
37 may suspend, limit, or terminate a participant's
38 utilization of the health information network for
39 violation of such rules, standards, requirements,
40 policies, or procedures, and shall establish, by rule,
41 a process for notification, right to respond, and
42 appeal relative to such violations.
43 h. Have all remedies allowed by law to address any
44 violation of the terms of the participation and data
45 sharing agreement.
46 i. Perform any and all other activities in
47 furtherance of its purpose.
48 7. a. A board member is subject to chapter 68B,
49 the rules adopted by the Iowa ethics and campaign
50 disclosure board, and the ethics rules and requirements

1 that apply to the executive branch of state government.
2 **b.** A board member shall not participate in any
3 matter before the board in which the board member
4 has a direct or indirect interest in an undertaking
5 that places the board member's personal or business
6 interests in conflict with those of Iowa e-health,
7 including but not limited to an interest in a
8 procurement contract, or that may create the appearance
9 of impropriety.

10 **8. Advisory council.**

11 **a.** An advisory council to the board is established
12 to provide an additional mechanism for obtaining
13 broader stakeholder advice and input regarding health
14 information technology, the health information network,
15 and health information network services.

16 **b.** The advisory council shall be comprised of the
17 following members who shall serve two-year staggered
18 terms:

19 (1) The following members designated as specified:

20 (a) One member who is a licensed practicing nurse
21 in an office or clinic setting, designated by the Iowa
22 nurses association.

23 (b) One member representing licensed pharmacists,
24 designated by the Iowa pharmacy association.

25 (c) One member representing the Iowa healthcare
26 collaborative, designated by the collaborative.

27 (d) One member representing substance abuse
28 programs, designated by the Iowa behavioral health
29 association.

30 (e) One member representing community mental
31 health centers, designated by the Iowa association of
32 community providers.

33 (f) One member representing long-term care
34 providers, designated by the Iowa health care
35 association/Iowa center for assisted living and the
36 Iowa association of homes and services for the aging.

37 (g) One member representing licensed physicians,
38 designated by the Iowa academy of family physicians.

39 (h) One member representing chiropractors,
40 designated by the Iowa chiropractic society.

41 (i) One member who is a practicing physician in
42 an office or clinic setting, designated by the Iowa
43 osteopathic medical association.

44 (j) One member representing business interests,
45 designated by the Iowa association of business and
46 industry.

47 (2) The following members appointed by the board:

48 (a) One member representing the state board of
49 health.

50 (b) One member representing academics.

1 (c) One member representing the Iowa Medicare
2 quality improvement organization.
3 (d) One member who is the state chief information
4 officer.
5 (e) One member representing the private
6 telecommunications industry.
7 (f) One member representing Des Moines university.
8 (g) One member representing home health care
9 providers.
10 (h) One member representing the department of
11 veterans affairs.
12 c. The board may change the membership and the
13 composition of the advisory council, by rule, to
14 accommodate changes in stakeholder interests and the
15 evolution of health information technology, the health
16 information network, and health information network
17 services. An advisory council member may be removed by
18 a vote of the board if, based on the criteria provided
19 in section 69.15, subsection 1, paragraphs "a" and "b",
20 the advisory council member would be deemed to have
21 submitted a resignation from the advisory council.
22 Sec. _____. **NEW SECTION. 135D.5 Business and**
23 **technical operations — office of health information**
24 **technology.**
25 1. The office of health information technology
26 is established within the department and shall be
27 responsible for the day-to-day business and operations
28 of Iowa e-health, the health information network, and
29 health information network services. The office shall
30 be under the direction of the director and under the
31 supervision of the deputy director.
32 2. a. The department shall employ an executive
33 director to manage the office and the executive
34 director shall report to the deputy director.
35 b. The executive director shall manage the planning
36 and implementation of Iowa e-health, the health
37 information network, and health information network
38 services, and shall provide high-level coordination
39 across public and private sector stakeholders.
40 c. The executive director shall serve as Iowa's
41 health information technology coordinator and primary
42 point of contact for the office of the national
43 coordinator for health information technology,
44 other federal and state agencies involved in health
45 information technology, and state health information
46 technology coordinators from other states.
47 3. a. The executive director and all other
48 employees of the office shall be employees of the
49 state, classified and compensated in accordance with
50 chapter 8A, subchapter IV, and chapter 20.

1 b. Subject to approval of the board, the director
2 shall have the sole power to determine the number of
3 full-time and part-time equivalent positions necessary
4 to carry out the provisions of this chapter.
5 c. An employee of the office shall not have a
6 financial interest in any vendor doing business or
7 proposing to do business with Iowa e-health.
8 4. The department shall do all of the following:
9 a. Develop, implement, and enforce the following,
10 as approved by the board:
11 (1) Strategic, operational, and financial
12 sustainability plans for the health information
13 network, Iowa e-health, and health information network
14 services.
15 (2) Standards, requirements, policies, and
16 procedures for access, use, secondary use, and privacy
17 and security of health information exchanged through
18 the health information network, consistent with
19 applicable federal and state standards and laws.
20 (3) Policies and procedures for monitoring
21 participant usage of the health information network
22 and health information network services; enforcing
23 noncompliance with health information network
24 standards, requirements, policies, rules, and
25 procedures.
26 (4) Policies and procedures for administering
27 the infrastructure, technology, and associated
28 professional services required for operation of the
29 health information network and health information
30 network services.
31 (5) Policies and procedures for evaluation of the
32 health information network and health information
33 network services.
34 (6) A mechanism for periodic review and update of
35 policies and procedures.
36 (7) An annual budget and fiscal report for the
37 business and technical operations of the health
38 information network and an annual report for Iowa
39 e-health, the health information network, and health
40 information network services. The department shall
41 submit all such reports to the general assembly.
42 b. Convene and facilitate board, advisory council,
43 workgroup, committee, and other stakeholder meetings.
44 c. Provide technical and operational assistance for
45 planning and implementing Iowa e-health activities,
46 the health information network, and health information
47 network services.
48 d. Provide human resource, budgeting, project and
49 activity coordination, and related management functions
50 to Iowa e-health, the health information network, and

1 health information network services.
2 e. Develop educational materials and educate the
3 general public on the benefits of electronic health
4 records, the health information network, and the
5 safeguards available to prevent unauthorized disclosure
6 of health information.
7 f. Enter into participation and data sharing
8 agreements with participants of the health information
9 network.
10 g. Record receipts and approval of payments, and
11 file required financial reports.
12 h. Apply for, acquire by gift or purchase, and
13 hold, dispense, or dispose of funds and real or
14 personal property from any person, governmental entity,
15 or organization in the exercise of its powers and
16 performance of its duties in accordance with this
17 chapter.
18 i. Administer grant funds in accordance with the
19 terms of the grant and all applicable state and federal
20 laws, rules, and regulations.
21 j. Select and contract with vendors in compliance
22 with applicable state and federal procurement laws and
23 regulations.
24 k. Coordinate with other health information
25 technology and health information network programs and
26 activities.
27 l. Work to align interstate and intrastate
28 interoperability and standards in accordance with
29 national health information exchange standards.
30 m. Execute all instruments necessary or incidental
31 to the performance of its duties and the execution of
32 its powers.
33 Sec. _____. NEW SECTION. 135D.6 Iowa e-health
34 finance fund.
35 1. The Iowa e-health finance fund is created as
36 a separate fund within the state treasury under the
37 control of the board. Revenues, donations, gifts,
38 interest, or other moneys received or generated
39 relative to the operation and administration of the
40 health information network and health information
41 network services, shall be deposited in the fund.
42 2. Moneys in the fund shall be expended by
43 the department only on activities and operations
44 suitable to the performance of the department's
45 duties on behalf of the board and Iowa e-health as
46 specified in this chapter, subject to board approval.
47 Disbursements may be made from the fund for purposes
48 related to the administration, management, operations,
49 functions, activities, and sustainability of the health
50 information network and health information network

1 services.

2 3. Notwithstanding section 12C.7, subsection 2,
3 earnings or interest on moneys deposited in the fund
4 shall be credited to the fund. Notwithstanding section
5 8.33, any unexpended balance in the fund at the end
6 of each fiscal year shall be retained in the fund and
7 shall not be transferred to the general fund of the
8 state.

9 4. The moneys in the fund shall be subject to
10 financial and compliance audits by the auditor of
11 state.

12 5. The general assembly may appropriate moneys
13 in the fund to the department on behalf of Iowa
14 e-health for the health information network and health
15 information network services.

16 Sec. _____. NEW SECTION. 135D.7 **Technical**
17 **infrastructure.**

18 1. The health information network shall provide
19 a mechanism to facilitate and support the secure
20 electronic exchange of health information between
21 participants. The health information network shall
22 not function as a central repository of all health
23 information.

24 2. The health information network shall provide a
25 mechanism for participants without an electronic health
26 record system to access health information from the
27 health information network.

28 3. The technical infrastructure of the health
29 information network shall be designed to facilitate
30 the secure electronic exchange of health information
31 using functions including but not limited to all of the
32 following:

33 a. A master patient index, in the absence of a
34 single, standardized patient identifier, to exchange
35 secure health information among participants.

36 b. A record locator service to locate and exchange
37 secure health information among participants.

38 c. Authorization, authentication, access, and
39 auditing processes for security controls to protect
40 the privacy of consumers and participants and the
41 confidentiality of health information by limiting
42 access to the health information network and health
43 information to participants whose identity has been
44 authenticated, and whose access to health information
45 is limited by their role and recorded through an audit
46 trail.

47 d. Electronic transmission procedures and software
48 necessary to facilitate the electronic exchange of
49 various types of health information through the health
50 information network.

1 e. Telecommunications through coordination of
2 public and private networks to provide the backbone
3 infrastructure to connect participants exchanging
4 health information. The networks may include but
5 are not limited to the state-owned communications
6 network, other fiber optic networks, and private
7 telecommunications service providers.

8 4. The state shall own or possess the rights
9 to use all processes and software developed, and
10 hardware installed, leased, designed, or purchased
11 for the health information network, and shall permit
12 participants to use the health information network
13 and health information network services in accordance
14 with the standards, policies, procedures, rules, and
15 regulations approved by the board, and the terms of the
16 participation and data sharing agreement.

17 Sec. ____ . NEW SECTION. 135D.8 Legal and policy.

18 1. Upon approval from the board, the office
19 of health information technology shall establish
20 appropriate security standards, policies, and
21 procedures to protect the transmission and receipt of
22 individually identifiable health information exchanged
23 through the health information network. The security
24 standards, policies, and procedures shall, at a
25 minimum, comply with the Health Insurance Portability
26 and Accountability Act security rule pursuant to 45
27 C.F.R. pt. 164, subpt. C, and shall reflect all of the
28 following:

29 a. Include authorization controls, including the
30 responsibility to authorize, maintain, and terminate a
31 participant's use of the health information network.

32 b. Require authentication controls to verify the
33 identity and role of the participant using the health
34 information network.

35 c. Include role-based access controls to restrict
36 functionality and information available through the
37 health information network.

38 d. Include a secure and traceable electronic audit
39 system to document and monitor the sender and the
40 recipient of health information exchanged through the
41 health information network.

42 e. Require standard participation and data sharing
43 agreements which define the minimum privacy and
44 security obligations of all participants using the
45 health information network and health information
46 network services.

47 f. Include controls over access to and the
48 collection, organization, and maintenance of records
49 and data for purposes of research or population health
50 that protect the confidentiality of consumers who are

1 the subject of the health information.

2 2. a. A patient shall have the opportunity to
3 decline exchange of their health information through
4 the health information network. The board shall
5 provide by rule the means and process by which patients
6 may decline participation. A patient shall not be
7 denied care or treatment for declining to exchange
8 their health information, in whole or in part, through
9 the health information network. The means and process
10 utilized under the rules shall minimize the burden on
11 patients and providers.

12 b. Unless otherwise authorized by law or rule,
13 a patient's decision to decline participation means
14 that none of the patient's health information shall be
15 exchanged through the health information network. If a
16 patient does not decline participation, the patient's
17 health information may be exchanged through the health
18 information network except as follows:

19 (1) If health information associated with a patient
20 visit with a provider is protected by state law that is
21 more restrictive than the Health Insurance Portability
22 and Accountability Act, a patient shall have the right
23 to decline sharing of health information through the
24 health information network from such visit as provided
25 by rule.

26 (2) With the consent of the patient, a provider
27 may limit health information associated with a patient
28 visit from being shared through the health information
29 network if such limitation is reasonably determined
30 by the provider, in consultation with the patient, to
31 be in the best interest of the patient as provided by
32 rule.

33 c. A patient who declines participation in the
34 health information network may later decide to
35 have health information shared through the health
36 information network. A patient who is participating
37 in the health information network may later decline
38 participation in the health information network.

39 3. The office shall develop and distribute
40 educational tools and information for consumers,
41 patients, and providers to inform them about the health
42 information network, including but not limited to the
43 safeguards available to prevent unauthorized disclosure
44 of health information and a patient's right to decline
45 participation in the health information network.

46 4. a. A participant shall not release or use
47 protected health information exchanged through the
48 health information network for purposes unrelated
49 to prevention, treatment, payment, or health care
50 operations unless otherwise authorized or required by

1 law. Participants shall limit the use and disclosure
2 of protected health information to the minimum amount
3 required to accomplish the intended purpose of the use
4 or request, in compliance with the Health Insurance
5 Portability and Accountability Act and other applicable
6 federal law. Use or distribution of the information
7 for a marketing purpose, as defined by the Health
8 Insurance Portability and Accountability Act, is
9 strictly prohibited.

10 b. The department, the office, and all persons
11 using the health information network shall be
12 individually responsible for following breach
13 notification policies as provided by the Health
14 Insurance Portability and Accountability Act.

15 c. A participant shall not be compelled by
16 subpoena, court order, or other process of law
17 to access health information through the health
18 information network in order to gather records or
19 information not created by the participant.

20 5. a. If a patient has declined participation in
21 the health information network, the patient's health
22 information may be released to a provider through the
23 health information network if all of the following
24 circumstances exist:

25 (1) The patient is unable to provide consent due to
26 incapacitation.

27 (2) The requesting provider believes, in good
28 faith, that the information is necessary to prevent
29 imminent serious injury to the patient. Imminent
30 serious injury includes but it not limited to death,
31 injury or disease that creates a substantial risk of
32 death, or injury or disease that causes protracted loss
33 or impairment of any organ or body system.

34 (3) Such information cannot otherwise be readily
35 obtained.

36 b. The department shall provide by rule for the
37 reporting of emergency access and use by a provider.

38 6. All participants exchanging health information
39 and data through the health information network
40 shall grant to participants of the health information
41 network a nonexclusive license to retrieve and use that
42 information or data in accordance with applicable state
43 and federal laws, and the policies, procedures, and
44 rules established by the board.

45 7. The department shall establish by rule the
46 procedures for a patient who is the subject of health
47 information to do all of the following:

48 a. Receive notice of a violation of the
49 confidentiality provisions required under this chapter.

50 b. Upon request to the department, view an audit

1 report created under this chapter for the purpose of
2 monitoring access to the patient's records.

3 8. a. A provider who relies reasonably and in
4 good faith upon any health information provided
5 through the health information network in treatment
6 of a patient shall be immune from criminal or civil
7 liability arising from any damages caused by such
8 reasonable, good faith reliance. Such immunity shall
9 not apply to acts or omissions constituting negligence,
10 recklessness, or intentional misconduct.

11 b. A participant that has disclosed health
12 information through the health information network
13 in compliance with applicable law and the standards,
14 requirements, policies, procedures, and agreements of
15 the health information network shall not be subject to
16 criminal or civil liability for the use or disclosure
17 of the health information by another participant.

18 9. a. Notwithstanding chapter 22, the following
19 records shall be kept confidential, unless otherwise
20 ordered by a court or consented to by the patient or by
21 a person duly authorized to release such information:

22 (1) The protected health information contained in,
23 stored in, submitted to, transferred or exchanged by,
24 or released from the health information network.

25 (2) Any protected health information in the
26 possession of Iowa e-health or the department due to
27 its administration of the health information network.

28 b. Unless otherwise provided in this chapter, when
29 using the health information network for the purpose of
30 patient treatment, a provider is exempt from any other
31 state law that is more restrictive than the Health
32 Insurance Portability and Accountability Act that would
33 otherwise prevent or hinder the exchange of patient
34 information by the patient's providers.

35 Sec. _____. **NEW SECTION. 135D.9 Iowa e-health —**
36 **health information network services.**

37 Iowa e-health shall facilitate services through
38 the health information network or through other
39 marketplace mechanisms to improve the quality, safety,
40 and efficiency of health care available to consumers.
41 These services shall include but are not limited to all
42 of the following:

43 1. Patient summary records such as continuity of
44 care documents.

45 2. A provider directory and provider messaging.

46 3. Clinical orders and results.

47 4. Public health reporting such as electronic
48 reporting to the statewide immunization registry and
49 reportable diseases.

50 5. Medication history.

1 Sec. _____. NEW SECTION. 135D.10 Governance review
2 and transition.

3 1. a. The Iowa e-health governance structure
4 shall continue during the first two years of the term
5 of the state health information exchange cooperative
6 agreement with the office of the national coordinator
7 for health information technology to address the
8 development of policies and procedures; dissemination
9 of interoperability standards; the initiation, testing,
10 and operation of the health information network
11 infrastructure; and the evolution of health information
12 network services to improve patient care for the
13 population.

14 b. Following the end of the first two years of the
15 term of the cooperative agreement, the board and the
16 department shall review the Iowa e-health governance
17 structure, operations of the health information
18 network, and the business and sustainability plan to
19 determine if the existing Iowa e-health governance
20 structure should continue or should be replaced by any
21 of the following:

22 (1) A public authority or similar body with broad
23 stakeholder representation on its governing board.

24 (2) A not-for-profit entity with broad stakeholder
25 representation on its governing board.

26 2. If the board and department determine that the
27 governance structure should be replaced, Iowa e-health
28 shall develop a transition plan to transfer the
29 responsibilities for the domains specified in section
30 135D.3.

31 Sec. _____. Section 136.3, subsection 14, Code 2011,
32 is amended to read as follows:

33 14. Perform those duties authorized pursuant to
34 sections ~~135.156~~, 135.159, and 135.161, and other
35 provisions of law.

36 Sec. _____. Section 249J.14, subsection 2, paragraphs
37 a and b, Code 2011, are amended to read as follows:

38 a. Design and implement a program for distribution
39 and monitoring of provider incentive payments,
40 including development of a definition of "*meaningful*
41 *use*" for purposes of promoting the use of electronic
42 medical recordkeeping by providers. The department
43 shall develop this program in collaboration with the
44 department of public health and the ~~electronic health~~
45 ~~information advisory council and executive committee~~
46 ~~board of directors and the advisory council to the~~
47 board of Iowa e-health created pursuant to section
48 ~~135.156~~ 135D.4.

49 b. Develop the medical assistance health
50 information technology plan as required by the centers

1 for Medicare and Medicaid services of the United
2 States department of health and human services. The
3 plan shall provide detailed implementation plans for
4 the medical assistance program for promotion of the
5 adoption and meaningful use of health information
6 technology by medical assistance providers and the
7 Iowa Medicaid enterprise. The plan shall include the
8 integration of health information technology and the
9 health information ~~exchange~~ network with the medical
10 assistance management information system. The plan
11 shall be developed in collaboration with the department
12 of public health and the ~~electronic health information~~
13 ~~advisory council and executive committee~~ board of
14 directors and the advisory council to the board of Iowa
15 e-health created pursuant to section ~~135.156~~ 135D.4.

16 Sec. _____. INITIAL APPOINTMENTS — BOARD.

17 1. The initial appointments of board member
18 positions described in section 135D.4, as enacted by
19 this division of this Act, shall have staggered terms
20 as follows:

21 a. The board members designated by the Iowa
22 collaborative safety net provider network and the Iowa
23 medical society, shall have initial terms of two years,
24 after which the members shall serve four-year terms.

25 b. The board members designated by the two largest
26 health care systems in the state, the university of
27 Iowa hospitals and clinics, and the Iowa hospital
28 association, shall have initial terms of four years,
29 after which the members shall serve four-year terms.

30 c. The board members designated by the federation
31 of Iowa insurers shall serve initial terms of six
32 years, after which the members shall serve four-year
33 terms.

34 2. With the exception of board members who are
35 representatives of state agencies and not subject
36 to term limits as provided in section 135D.4, board
37 members appointed under this section may serve an
38 additional four-year term, with the exception of those
39 board members initially serving a two-year term, who
40 may serve two consecutive four-year terms following the
41 initial two-year term.

42 Sec. _____. REPEAL. Sections 135.154, 135.155, and
43 135.156, Code 2011, are repealed.

44 Sec. _____. TRANSITION PROVISIONS. Notwithstanding
45 any other provision of this division of this Act,
46 the department of public health, and the executive
47 committee and the advisory council created pursuant to
48 section 135.156, shall continue to exercise the powers
49 and duties specified under that section until such time
50 as all board members have been appointed as provided

1 in section 135D.4, as enacted by this division of this
2 Act.
3 Sec. _____. EFFECTIVE DATE. The sections of this
4 division of this Act repealing sections 135.154,
5 135.155, and 135.156, and amending sections 136.3 and
6 249J.14, take effect on the date all board members are
7 appointed as provided in section 135D.4, as enacted by
8 this division of this Act. The department of public
9 health shall notify the Code editor of such date.
10 Sec. _____. EFFECTIVE UPON ENACTMENT. Except as
11 otherwise provided in this division of this Act,
12 this division of this Act, being deemed of immediate
13 importance, takes effect upon enactment.>
14 128. By striking page 83, line 22, through page
15 150, line 23.
16 129. Title page, line 3, after <appropriations> by
17 inserting <, providing penalties,>
18 130. By renumbering as necessary.